

Mr Carter ready to block Europe on lestine peace move

Mr Carter has warned his allies he will block any move to block the Palestinians in the East peace process or resolution 242 to reinforce Palestinian rights. In Brussels it is now felt the Nine may merely restate their views at their next summit in Venice rather than risk America's veto at the UN.

Second thoughts among Nine

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Text of Resolution 242
Begin Cabinet dispute
Fatah diplomatic moves
Israel: A friendly word 16
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Mr Carter has served well to try to stop lestinian move in allies if he d threaten the fusion of the economy talks. interview, broad-ht, Mr Carter "worried" that Community toward in the s, with a fresh ring the princi- nism self-deter- he right of the "ation Organi- take part in the ace process. in Washington h, Mr Edmund creary of State, is-Ponchel, his sue, said there: "I am not sure states that the autonomy talks prospect for

ion was allowed trend towards instability in the ould become a f trouble for the rld, he said. Foreign Minis- however, that sion had been ueans on the "r form of any

on put forward ron, the British ary, has been ould sponsor a in the United y Council to sur- tion 242, which y formed the ie East peace

Two Arab papers banned from the West Bank

her Walker ne 1
Government has popular Arabic 41 *Fajr* and *El* ulate in the West Strip because it e ban is to take ight tonight. said, in an angry- r. "The papers ridden because autonomy. But no prevent us from ice or achieving e free Palestinian e PLO, political and of many of the rabs in the occu- and Gaza Strip, rely disrupted as e's new hardline y. Measures were in the beginning of e military gov- effort to counter- rest. upshots about the policy have been ith a number of luding Britain and

the United States, via the Jeru- salem-based consular officials who provide diplomatic representation in the territories seized from the Arabs in 1967. However, Israel has succeeded in stifling publicity about widespread Arab resen- ment by preventing the Arab mayors from contact with either the foreign or local press. The mayors are not allowed to leave their homes or to communicate with each other. The restrictions have been imposed for an indefinite period under the emergency security regulations. The Government has issued strong warnings to Arab social clubs, charitable societies and women's organizations telling them not to take part in any political activity. Arab news- papers have been subjected to strict new censorship regula- tions in an effort to minimize organized protests among Palestinians. One prominent West Bank leader told *The Times*: "The Israelis are trying to kill our politics, but they have not succeeded. The mayors have

established an underground messenger service for exchanging views and maintaining morale. They are in regular contact."

Today, in the centre of Bethlehem—one of the least militant West Bank towns—I was shown four shops which have been shut by the Israelis since May 11 because a Palesti- nian flag was raised in front of them. The metal doors are locked, no compensation has been offered, and the Israeli word for "closed" has been painted across the front of each in large red lettering. Elsewhere in the town, and in other parts of the West Bank, many other shops have been temporarily shut, either because they were suspected of involvement in attacks on Israelis or because their owners refused to open during Arab protest strikes. Education has also been badly affected because of the clampdown. In Bethlehem a girls' high school, with 582 Arab pupils, has been closed by the military authorities since.

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Forty years on: Veterans gathering yesterday in Dunkirk before the march-past and ceremonies marking the fortieth anniversary of the evacuation of Allied troops. The number of Africa, Italy and France and Germany stars, as well as the sprinkling of Military Medals and other gallantry decorations, was evidence of how much those who were evacuated contributed to victory. The

TV companies agree to greater restraint on fictional history

By Kenneth Gosling
Arts Reporter
The Independent Broadcast- ing Authority has taken action to control the depiction of his- toric events in "dramatized documentary" form.

Every programme company it controls has resolved to change its procedures to avoid what Lady Plowden, chairman of the IBA, has called "a repetition of the distress" which "A Man Called Intrepid" caused when it was shown in April.

In a letter to Mr Jens Christ- sen, the Danish Ambassador in London, Lady Plowden has expressed the great regret of the authority and the pro- gramme companies for the offence given by the film to a number of people, some pub- licly identified, some not.

A copy of the letter has been sent to Colonel Maurice Buck- master, head of the Special Operations Executive from

October, 1941, until the end of the war, who called the programme "a travesty of fic- tionized espionage activities".

In her letter Lady Plowden said much thought had been given to the issues raised by the programme, both inside the IBA and with the companies responsible for the acquisition of the film from the United States as part of the *Best Sellers* series.

It had been recognized, she said, that the film was not sub- jected to the same processes of editorial scrutiny by the com- panies to which a British-made programme would have been. "I doubt very much whether, had the film come from a British source, it would have survived those normal checks."

She was thinking particularly of such programmes as "Hess" and "Burgess, Philby and Maclean", as well as "Three Days in Sefton", all dealing

Mr Benn steps up the pressure on Labour's moderates

By Fred Emery
Political Editor
Although "Thatcher: bash- ing" produced a facade of unity at the ill-attended Labour Party special conference in London on Saturday, far more visible was the activist, left wing's alarm that its recent branch in the fundamental struggle for party power and policy-making might be in danger.

The party's centre and right left this field largely to Mr Anthony Wedgwood Benn and his supporters among constitu- ency activists. He wound up the conference with a stirring speech that indirectly repudi- ated virtually all of what Mr James Callaghan, the party leader, had said in the morning.

But he also seized the oppor- tunity to crowd a mobiliza- tion rally "between conference sessions to launch a campaign for meetings over the next three months in every town of every party and every union."

The reversal of the block vote of the Amalgamated Union of Engineering Workers, and perhaps other unions against last year's conference decisions giving the final say on the man- ifesto to the party's National Executive Committee, and mak- ing resolution of MPs' manda- tory, is clearly the bogey of the Bennites.

The aim of their campaign, as one said, is to create such pressure that the conference will not dare to reject "the reforms."

Mr Benn's prime aim, and the manifestly anti-Callaghan aim of most conference speak- ers, was not just to oust the Tories, but to install next time a Labour government "in the left's own image."

As Mr Eric Heffer, of the NEC, said: "Let us have a Labour government that is dedicated to carrying out our policies as Mrs Thatcher is dedicated to carrying out hers."

Or as Mr Benn wanted it: "So this Labour comes itself to power and does not just put Labour ministers into office."

Mr Benn, claiming for his vision of socialism much wider support than many people believe, was given his usual standing ovation from the con- ference.

But Mr Callaghan, making something of a recovery in British politics after his long visit to China, was in defiant mood. He gave no hint of jak-

ing the suggestion of one con- stituency delegate that he "re- turn to his farm and make way for somebody who might do a better job."

The Leader of the Opposition in his speech manfully de- fended his MPs from the attack that the knew was to come on their supposed parliamentary ineffectiveness. He repudiated those in the party who sought to get their way outside Parlia- ment by "overthrowing" the rule of law.

"Not in this country," he re- proved them, though demands swiftly followed from delegates for MPs to support Labour local authorities in defying the Government over "spending cuts."

Mr Callaghan delivered a de- tailed attack on Mrs Thatcher, both personally and on her policies.

His strongest rhetorical flourish was that her zeal in pursuing Britain's Olympic athletes was "worthy of a twentieth century Torquemada"; his gravest warning that when her policy of "old fashioned" deflation "had finally broken inflation," there will be a growing gap between the north of these islands and the south and the unemployed urban blacks will be the prey to any demagogue who offers them a way to express their alienation.

On incomes policy he had been adamant. The next Labour government could only succeed, indeed would not suc- ceed, unless well before the election it had won the unions "a settled policy on incomes."

Union leaders largely were unrepentant. Mr Callaghan's only partial support came from Mr Joseph Gormley, president of the National Union of Min- ers, and Mr Leslie Silkin, of the Ceramics and Allied Trades, the latter daring to tell the conference that Mr Calla- gan's 1978 proposal of 5 per cent would have been better.

Among the themes of uni- lateral disarmament, protection, withdrawal from the EEC and "street corner agitation," which recurred in many floor speeches, there were some genuine cries of despair.

There was protest about un- employment, the widening Scot- land, Northern Ireland, the North-east and Lancashire. There was scathing comment that even the unions were "selling out" the interests of members in agreeing to redun- dancies.

Conference report, page 5
Leading article, page 17

Bonn call to rescue Third World

From Peter Norman
Bonn, June 11

West Germany intends to use the Western economic sum- mit in Venice in three weeks time to focus the attention of the other major industrial countries on the financial crisis facing the Third World as a result of the rise in the price of oil.

It is thought possible that Herr Helmut Schmidt, the West German chancellor, will sug- gest that the industrialized countries of the world call on the members of the Organiza- tion of Oil Exporting Coun- tries (Opec) to help in a joint effort to alleviate the plight of the less developed countries.

"The figures were frighten- ing after last year's doubling of the price of oil. They are more frightening now," one senior Bonn government official com- mented, on estimates that the non-oil less developed countries are facing an oil bill of between \$50,000m and \$60,000m and interest charges of a further \$30,000m this year.

While steadily worsening figures outlining the financial

Hundreds join the exodus from rebel island

From Denis Reinhardt
Port Vila, New Hebrides, June 11

An exodus today of govern- ment supporters and Europeans from the rebel-held island of Espiritu Santo has failed to relieve tension in the New Hebrides.

At nightfall a police aircraft flew over the island port of Tongoa and estimated that 900 people were on the beach await- ing transport to other islands.

During the past 24 hours, 152 people, including 42 British and Australian citizens, have been ferried to safety by eight government vessels sent to the island. A government launch with an armed boarding party on board is lying off shore.

In Port Vila, capital of the condominium, ruled jointly by Britain and France, riot police are on standby after govern- ment fears of an attempted coup.

As the deadlock continues between Father Walter Lini, the Chief Minister, and Mr Jimmy Stevens, the "secession- ist" leader who is the flam- boyant descendant of a Scottish sea-captain, the rebels have consolidated their hold in Luganville, Espiritu Santo's commercial centre.

French sources say that a provisional government of Vamamou, as the island is known to the secessionist party, Nagriamel, has been proclaimed by a Chief Minister, Mr Alfred

Malui, appointed by Mr Stevens.

All communications between Espiritu Santo and the outside world have been cut.

In Luganville, the rebels have commandeered several Government orders for close all streets. The chief of police, eight constables and four civil- ians, including the district commissioner, are being held. Sixteen other police escaped with their weapons to a neigh- bouring island yesterday.

In Port Vila, Father Lini, whose Vanuatu Party admini- stration was a two-thirds major- ity in United Nations super- vised elections last November, has appealed to neighbouring "member states" of the South

Pacific Forum for help in crushing the insurrection.

At a meeting this morning with M Jacques Robert, the French resident Inspector- General, and Mr Andrew Stuart, the British Commissioner, who jointly rule the country, until independence on July 31, the Chief Minister was given assur- ances that three French para- military platoons were on call in neighbouring New Caledonia.

Paris visit: Mr Peter Blaker, Secretary of State at the Foreign and Commonwealth Office flies to Paris tomorrow to discuss with his French op- posite number, M Paul Dijoud, possible action to end the rebel- lion in Espiritu Santo (the Press Association reports).

London blast may be linked with election in Kuwait

By Stewart Tisdler
Crime Reporter

A delayed action bomb ex- ploded yesterday outside the offices of the Kuwait Oil Com- pany in New Bond Street, Lon- don, causing injuries to some 10 people and the possibility of yet another terrorist incident provoked by Middle East poli- tics.

Scotland Yard's anti-terrorist squad is keeping an open mind on motivation until the results of forensic tests on the debris. However, a militant minority group, spurred by the Iranian revolution, is known to be active in Kuwait.

The bomb was left tucked into a corner of the doorway to the offices, about 25 yards from Oxford Street, some time after 10.30 pm on Saturday night. The office block, above shops, is used by the Kuwait company, another oil company and a clothing firm. There are also some flats, not apparently in use, and the premises were inspected without incident by a security firm just after 10 pm.

The device exploded at 1.30 am, triggered by a clock or watch. The concrete canopy above the doorway directed the blast into the street, where shop and windows up to four storeys above the street were smashed. The size of the charge was thought to be less than 11lb.

The street was deserted and nearby premises, except for a night club, were closed. Yester- day Commander John Cass, act- ing leader of the anti-terrorist squad, appealed to anyone who saw anyone suspicious near the building about midnight on Saturday to come forward.

The Kuwait Government is in dispute with the country's Shia Muslim minority. They claim to comprise 25 per cent of the population and are calling for appropriate recognition.

Elections are to be held next January and the Shia Muslims may be growing more militant in the run-up to the poll. They have allied themselves with Iran, while Kuwait as a whole has allied itself with Iraq.

Photograph, page 4

Libya expels Britons

Libya is expelling a group of Britons including three diplo- mats "for contravening the original conditions of their em- ployment," the Libyan news agency Jana said yesterday.

Last week the Foreign Office said that Libya had asked Britain to reduce diplomatic staff at its embassy in Tripoli. This came after Britain's action in persuading Libya to withdraw four people from its London mission earlier last month.

Sources said that the Libyan request, called for the with- drawal of four British diplomats out of a total of 15.

Britain had asked for the Libyans' withdrawal after alleging that they had been in- volved in "activities incom- patible with their functions." Two Libyan spies, critics of the Libyan Government, were shot dead in London in April in separate incidents.

Dearer papers

Prices of three newspapers are increased today. *The Guardian*, by 3p to 18p, the *Daily Mail* by 2p to 12p and the *Daily Star* by 2p to 10p. The *Sunday Telegraph* went up by 2p to 20p yesterday.

Lord Chalfont

Lord Chalfont returns to *The Times* today. From now on, usually on the first Monday of every month, he will be writing a column on strategic issues affecting the great powers in the 1980s. Page 16

Beachment in Italy

Communist Party's national expected to call for the of Signor Francesco Cossiga, Minister, who is alleged to have cape of a suspected terrorist. Initiative to send Signor trial before the constitutional require 315 votes. On Satur- day, a commission voted to air.

move on cuts

aps are being taken towards k between three public sector s attempt to form a tivity to the Government's public uts. The three, the National Government Officers Associa- National Union of Public and the Confederation of ics Employees, have a tal of nearly 1,700,000. Page 2

l pits warning

Scargill, the Yorkshire miners' a Derbyshire centenary meet- ing phasing out of operating the coal industry Bill meant more than 50 "uneconomic" Page 3

ew England cap

only new cap in England's to play West Indies in the h at Trent Bridge. Three en, Knott, Underwood and also included. Page 3

Gandhi party winning in state elections

In the Indian elections for nine state governments, the Indira Congress Party has won in three states and lost one. The party is winning in the five remaining states, but full results are still awaited.

Mr Gandhi, the Prime Minister, appears to have won the battle to get a two-thirds majority in the Indian Upper House.

Briton held by Afghans

A British teacher said in Islamabad he had been held captive by Afghan guerrillas who shot more than 20 people travelling with him.

Whitehall riposte: A serving senior official says in a paper for the Fabian society that a politically neutral Civil Service provides "major benefits not to be lightly given up."

"No go" medals: Olympic athletes and sporting associations that decided not to go to Moscow were given medals.

Argentina: Arrigo Levi interviews President Videla but gets to explanation for the disappearance of thousands of people.

South Korea: Generals consolidate their hold with inauguration of a military-dominated security committee.

Classified advertisements: Personal, pages 28-30; Appointments, 12, 13, 15, 28; Property, 12, 14.

Pope braves the rain at airport Mass

Half a million people braved wet and windy weather to hear the Pope celebrate Mass at Le Bourget airport, near Paris. Protected only by a white umbrella, he remained there for three hours and prolonged the ceremony by giving Com- munion to many sick and handicapped people.

Leader page, 17
Letters: On Britain's nuclear capability, from Air Vice-Marshal S. W. B. Mead and Mr F. T. Blackaby; reform of the House of Lords, from Mr Robert Milburn and Mr F. M. M. Steiner; criticism of MIND from Mr W. R. van Straubenzon, MP.

Leading articles: Labour Party's special conference; Europe and the Middle East. Features, pages 12, 16.

American political records, by Geraldine Norman; British political attitudes towards Israel, by Eric Hoffer.

Sport, pages 8-10
Rowing: British crews win 20 gold medals in Copenhagen; Cricket: Brearley scores first John Player League century.

Art, page 11
Jo Grimmer reviews Lord Boyd-Carpenter's autobiography; John Higgins talks to Sherrill Milnes; Michael Ratcliffe, Michael Church and John Percival on the weekend's television William Maan; Max Harrison and Paul Griffiths on weekend concerts.

Obituary, page 18
Mrs Mirabel Topham; Mr R. Postlethwaite.

Business News, pages 19-27
Financial Editor: "Dawn raiders" is not a battle with fighting; when auditors resign.

Features, 12, 16
Letters, 17, 20
Sport, 8-10
TV & Radio, 29
Theatre, etc, 30
25 Years Ago, 2
Weather, 2
Wills, 18

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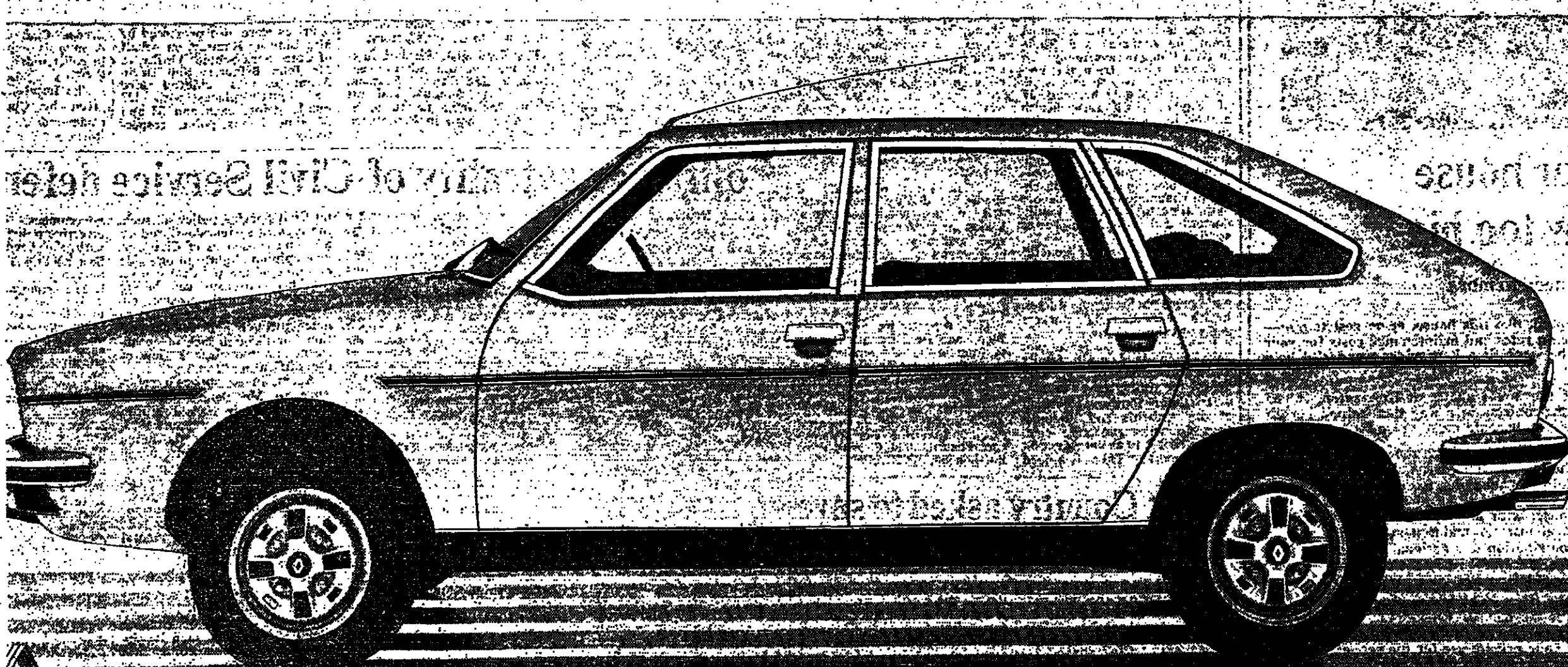
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HOME NEWS

SNP in flinty mood expects the recession to boost its attractions

From Ronald Faux.

It would be easy but unwise to write off the Scottish National Party. The annual conference, which ended on Saturday at Rothbury, showed the SNP in remarkable flinty spirit and good morale.

Many delegates believed the ground for another surge in popularity was forming, through the list of redundancies and failed Scottish companies. They clearly thought that recession was affecting Scotland more than the rest of the United Kingdom, and that the SNP would benefit from the resulting discontent.

However, strenuously Mr George Younger, the Scottish Secretary, has in Cabinet to soften the impact of cuts and restraints on Scotland, the forecasts suggest more bad news to come which could aid SNP propaganda.

It is easier to believe the British parliamentary system is insensitive and centralist when the names of Sloger, Goodyear, Massey-Ferguson and others that have been anchors for employment suddenly and disastrously disappear. Delegates who expect that the party will benefit from the last successful push came during the buoyant days after North Sea oil had made its first impact. Scottish voters are apt to drop the SNP like a hot coal immediately the economy is badly threatened or there seems a real chance that independence could come.

Witness the severe mauling the party received at the general and district elections and the dubious result of the Scottish referendum. As Mr Gordon Wilson, the party chairman, admitted, credibility may have to be rebuilt brick by brick.

But how will those impatient nationalists react if they find the bricks are small and oddly shaped and the edifice to be built is too large?

Mr Wilson pointed to the "quiet improvement" in support that has been shown recently. The party, thanks to bequests and a canny handling of assets, is in a sound financial state, which the Labour Party might envy.

A big autumn recruiting campaign is planned and Mr Wilson concedes that the SNP would return to a winning position only when credibility was reestablished on a national basis and a swing generated throughout Scotland.

That brings the party hard against the old obstacle of the Labour vote in the west of Scotland, which is now loyally allied in opposition to Mrs Margaret Thatcher. The dilemma for the nationalists is that with Scottish voters firmly polarized between Labour and Conservative, a gain in one direction would vary little mean a loss in the other.

Rarely if ever has Scotland swung towards a political party that was in any way unradical or ambivalent.

Unlike the time when the SNP wielded the authority of 11 MPs and could tilt the balance of power, there is no longer any effective influence on government, and with Mrs Thatcher set for perhaps another four years, it is hard to understand why the SNP should feel such optimism unless the party is prepared for a long game.

There was no sign of that at the conference. The speeches were fiercely anti-parliamentary, delegates were baying for independence, with every ill and industrial mishap raked out as ammunition.

There was little suggestion that a more subtle approach to Scottish independence would be taken. The rhetoric was loud and fundamental.

The leadership has come to a prickly truth with the left-wingers of the 79 Group formed to inject a stranger measure of socialist argument into party debate and to toughen response to such issues as public spending cuts and the Government's handling of the economy.

Although no member of the group were elected to the party hierarchy, eight were voted on to the general council and it has clearly established a right to exist and contribute to debate within the party.

Mr Andrew Currie, co-chairman of the group, was satisfied with progress. The SNP was not a coalition of left and right, he said, but of those who put independence first and relegated political issues to after-independence, and the "new Scotland" socialists who believed that independence was needed as a tool to create a better kind of Scottish society.

The mainstream of Scottish nationalism flows with the "independence first" group, but the 79 group see a value in being able to tackle Labour on political detail.

The struggle in Scotland is between Labour and the nationalists, and if you are going to attack them effectively you must appreciate and understand in detail how the Labour Party and the trade union movement work, he said.

Mr William Wolfe, former SNP chairman, successfully challenged Dr Robert McIntyre in the ballot for party president. Mr Wolfe, chairman for 10 years, polled 283 votes and Dr McIntyre 228. The office had been held by Dr McIntyre for 22 years.



The shattered frontage of the Kuwait Oil Company's offices in New Bond Street, London, where a bomb exploded early yesterday.

Games boycott medals awarded

By a Staff Reporter

Two British athletes won gold medals yesterday without even raising a sweat. They were honoured not for sporting feats but for deciding to boycott the Olympic Games in Moscow.

The medals, carrying the motto "honour before glory" and showing the five Olympic rings covered with barbed wire, went to Christopher Stewart, the long-distance runner, and Ian Wolf, the wrestler.

Gold medals were also presented to three bodies which have decided not to compete in Moscow, the British Equestrian Federation, the Royal Yachting Association and the Great Britain Hockey Board.

The presentations were made in London by Sir Frederic Benstead, Conservative MP for Torbay and chairman of the protest group, National Campaign Olympic Games, Moscow Objectors,

which uses the acronym, Nago.

The medals were provided out of donations received by Nago, including £1,000 from a Swiss industrialist and several three-figure cheques. The balance of the money will help sporting bodies not competing in Moscow to stage alternative events.

A silver medal was presented to Mr Thomas Rodd, a news-agent from Enfield Lock, Middlesex, who refused a £3,000 holiday in Moscow for himself and his wife which he won in a competition. Sir Frederic said Mr and Mrs Rodd were being offered a holiday elsewhere and Nago would provide some spending money.

Another view on participation in the games came yesterday from Mr Tam Dalyell, chairman of the Parliamentary Labour Party. He asked why an athlete

or athletic body should feel bad about going to Moscow when the German government had just signed a new 25-year economic agreement with the Soviet Union.

Speaking in his constituency, West Lothian, Mr Dalyell challenged the West German economic minister to justify signing an agreement on chemicals, electrical engineering and machinery with the Russians and at the same time supporting pressure on athletes not to go to Moscow.

If it was legitimate for Krupp and the German chemical industry to continue "business as usual, how could Europeans suggest to Steve Ovett and Sebastian Coe that they should abstain from attending the Olympic Games? What was sauce for the commercial goose was also sauce for the sportsman's gander.

Tests on boy who may have typhoid

From Our Correspondent

Lanark

The result of tests, expected today or tomorrow, should show whether a boy aged three has become the second typhoid patient in Lanarkshire, Scotland.

An investigation was started when it was found that a Pakistani youth aged 19 has the disease. He is in the isolation unit of Monklands District General Hospital, in Airdrie, after being taken there last week. Lanarkshire Health Board is waiting for the results of tests on the youth's nephew.

Both recently returned from a holiday in Pakistan and it is thought the disease could have been contracted abroad.

Routine tests are also being carried out on their families, but doctors say that so far no one else has shown signs of having the disease.

Dr William Thomson, chief administrative medical officer of the health board, said it was not thought that the boy has typhoid, but the board would not be sure until the full results are given.

"The youth in hospital is not causing too much concern, and we are carrying out tests on his family. If they show no signs then it is highly unlikely that anyone else close to him has contracted it."

Dr Thomson urged anyone who has returned from abroad and has a bowel or other complaint associated with typhoid symptoms to see their doctor immediately.

Filipinos protest over deportation threat

By Lucy Hodges

A group of Filipinos marched through London yesterday to protest at a recent ruling which means any of them could be deported as illegal immigrants.

Most have lived and worked in Britain for years and some have been granted settlement rights, but because of a recent Court of Appeal decision they are now classified as illegal immigrants.

The reason is that they did not tell the authorities they had young children when they arrived.

It is not known how many Filipinos are involved but they are believed to number more than 100. Most are women recruited by agencies in the Philippines to work as maids or cleaners in hospitals, hotels and private homes.

According to the Migrants Action Group, which has banded together on behalf of them, many were either ignorant of the Home Office rule that they must disclose the existence of children in their applications for work permits, or were the subject of organized deception by overseas employment agencies.

Permits for resident domestic workers are issued only to people who do not have children aged 16 or under. Last November the Court of Appeal ruled that the failure to disclose the existence of children was a deception, whether or not the person was aware of the rule.

The action group says the Home Office is applying the rule

retrospectively, even though it has allowed children of other mothers in similar circumstances to join them.

A recent independent television programme, *The London Programme*, showed that visa application forms used for many years by the British embassy in Manila did not require the applicant to reveal the existence of dependent children unless they were accompanying the parent to Britain.

It also found that in many cases the work permit applications were filled in, not by the women concerned but by the employment agencies acting on their behalf.

Pressure groups as well as MPs of all parties and the Roman Catholic hierarchy are petitioning the Home Office to allow the women to stay on because of their hard work and the lack of indigenous domestic help. Mr Alberto Petross, of the action group, said that the 700 or 800 signatures had been collected for presentation to the Home Secretary.

"If the Government can grant an amnesty to the companies who broke economic sanctions against Rhodesia, I do not see why they cannot now grant an amnesty to the Filipinos who have unwittingly broken the United Kingdom rules," he said.

The protesters pointed out that they are referring to a small and finite group of women who have saved up money to provide a home for themselves and want to bring their children here.

BMA urges more drink, driving tests

By Our Health Services

Correspondent

Roadside breath tests for drivers should be carried out at times and places where drink and driving offences are most likely to occur, the British Medical Association has urged.

The association, which has been campaigning for years to get the police to test motorists outside public houses and clubs.

"The police should concentrate their breathalyzer campaign at those places where they are most likely to find drunken drivers. They should observe the behaviour of drivers as they come out of pubs and stop them if they are having difficulty getting into their cars or driving erratically."

The BMA also called for more research into what makes people drink and drive, to reduce the death toll from drunken driving.

The BMA's panel on the relationship of alcohol and other drugs to road accidents says that research carried out in many technically developed countries has produced useful results.

Unions plan to boost Labour Party funds

By Michael Hatfield

Political Reporter

Trade union plans to provide a two-tier cash injection into the Labour Party, depleted funds are to be discussed by general secretaries of affiliated unions later this month.

One tier has been agreed so far, an increase of 8p in the affiliation fee of each member this year to 40p, providing an extra £500,000 from union sources, with a further 10p increase next year.

As the second stage general secretaries are to discuss setting up a special fund to raise it, it is believed, about £250,000, managed by the unions and expenditure of which the Labour Party would have to account for.

Both proposals are seen by the unions as necessary, immediate measures, but the commission of inquiry into the party's organization and structure is expected to propose more radical measures to put

its finances on a sounder and more permanent footing.

State aid for political parties will be supported, going beyond the amount the state allows opposition parties to assist in their Westminster operations.

Members of the commission's finance committee yesterday flew to Germany for discussion with Herr Willy Brandt and other members of the Social Democratic Party to examine state financing in West Germany.

A new bank, run by the unions, to help investment in British industry was also proposed after meeting of the Trade Unionists for a Labour Victory organization, held before the special party conference on Saturday.

Mr Clive Jenkins, general secretary of the Association of Scientific, Technical and Managerial Staff, said the wealth of the trade union movement was at present ill-deployed and inadequately marshalled. The bank would be a commercial and hard-headed venture.

Architects study move to expel South Africa

By Our Planning Reporter

The council of the Royal Institute of British Architects is to decide at a meeting on Wednesday whether to support a resolution calling for the expulsion of South Africa from the Commonwealth Association of Architects.

Although South Africa left the Commonwealth in 1961, the Institute of South Africa Architects has retained associate membership of the association.

It recently refused a request that it should resign, primarily on the grounds that continued links were of benefit to the considerable number of Commonwealth students at architectural schools and technical institutes in South Africa.

Girl dies as fumes overcome two caravan families

Two fathers made a desperate effort to save the life of a little girl after their families were overcome by fumes in their holiday caravan early yesterday morning.

The girl, aged 12, was dead when ambulances arrived and five other people, including the men's wives, a baby girl, a boy, aged nine, and their 17-year-old son, were unconscious. They were taken to hospital and their condition was later said to be satisfactory.

The dead girl, Sarah Louise Pearson, and the others were found by Mr Edward Pearson, of Western Avenue, and his friend, Mr John Jewitt, of St Ives Close, both in Pontefract, West Yorkshire.

Capital taxes cut art loss compensation

By Frances Gibb

The loss of an outstanding collection of Chippendale furniture and several Old Master paintings in a recent fire at Nostell Priory, near Wakefield, will cost the owner, Lord St Oswald, several thousand pounds under a law by which the insurance claimed is subject to capital taxes.

The fire at the end of April is estimated to have caused more than £500,000 of damage. It destroyed one room for which Chippendale, who was an estate carpenter, had designed the furniture, and damaged the contents of adjoining rooms.

Mr Derek Winn, brother of Lord St Oswald, said: "These taxes are very unfortunate from the public's point of view. They are the ones who will lose out, because after paying up we shall not have the money to replace the furniture and paintings with comparable items."

In addition the insurance claimed in such cases did not always match the value of works lost. "With many private house owners, it is 10 to one that the works will be undervalued, because people simply cannot afford the huge insurance premiums."

Nostell Priory, an eighteenth-century mansion which attracts about 75,000 visitors a year, was taken over by the National Trust in 1952. The trust is responsible for the fabric of the building and the family for the contents.

It is acknowledged to have one of the most important collections of furniture in the world. Among pieces destroyed were a set of six ribbon-back Chippendale chairs, a huge pier table, a set of six armchairs, both designed by Adam and made by Chippendale, a mirror-fronted cupboard, a

bow-fronted cupboard, several different kinds of chairs.

The paintings include large works by Poussin, Elsheimer, a Van Dyck of Henrietta Maria, a Lorrain and a Ruissdael.

Mr Andrew Faulds, MP for Warrley, East, has raised the issue. In a written question to the Chancellor, he asked for a capital transfer tax credit of any insurance claim from loss or damage to art.

The works in question, are those on public display in museums and galleries, and a call on loan to government buildings or public exhibition abroad.

It would be the property of the public, but the Chancellor, in reply, approved by the Standing Commission on Museum Galleries.

Changes in the law called for by the group, Heritage in Danger, suggest that a large share of the cost of insurance or indemnity taken by the Exchequer would certainly benefit the public, but the Chancellor, in reply, approved by the Standing Commission on Museum Galleries.

It is understood a Treasury is considering to the law, and the lobby is hopeful that it will be amended to the Bill.

Some art owners who have not met the insurance purposes, account of the cap, they will have to pay is a loss.

Gas engine goes on show today

By Our Motoring

Correspondent

The Talbot Motor Company has developed a liquefied petroleum gas engine based on the 1600cc petrol unit used in the Avenger and Sunbeam cars. It is being shown for the first time today at an exhibition in Birmingham.

The engine can run either on liquefied petroleum gas alone or gas and petrol alternately. Talbot expects that it will be used mainly for industrial purposes, as in forklift trucks, pumps and generators, and says there are no plans to offer the engine in cars.

Liquefied petroleum gas conversion is offered on some Volvo cars. The fuel is cheaper than petrol because it attracts a lower rate of duty, but is less economical.

Boy aged 15 just misses being in crossword final

By Edmund Akenhead

Crossword Editor

The fifth regional final of the *Curry's Times* national crossword championship at Chester yesterday, attended by 101 competitors, was remarkable for the appearance in the championship of a boy of 15, a schoolboy, aged 15 from Stockport Grammar School, who but for a slip of the pen would have qualified for the national final.

Only one competitor achieved maximum puzzle points of 124 for the four puzzles. Dr John Sykes, lexicographer, of Stevenage, five times national champion. He scored 87 time bonus points. The runner-up was Mr Eric Rodick, of Arnscliffe, Cumbria, a retired tutor and the 1978 national champion, with 123 puzzle points and 61 time bonus points.

Prizes were also presented by Mrs Lindsey Ramsey, on behalf of Curry's Scotch Whisky, to Mr John Brightley and David Armitage, who achieved third and fourth places with 123 puzzle points each and 53 and 50 time bonus points respectively.

Countrys outlook is gloomy

By Our Planning Reporter

A generally gloomy picture for the decade ahead is painted by the Council for the Rural England annual report, published today.

Among the causes it cites the further development of fine countryside roads, notably in the Cotswolds and the Chilterns, times almost reckless ing of the Peak National Park and of Edge; the continuation of the Trent valleys for agriculture and the loss of wetland lands and open hillside pasture, of supposed benefits in agriculture.

The report also expects that the Government appears to be moving from the view that a densely populated countryside requires inter policies on land use, towards a reduction in control.

On energy the country is disturbed at the emphasis on the use of energy involving the construction of more and larger power coal mines, gas term power lines.

"Far more stress is laid, in our view, on the use of primary energy through more stringent measures and increased efficiency of energy in every of the economy," it states.

Army's historic relic found

Detectives have the Immortelle, one of the most historic relics, taken two weeks a Brecon Cathedral, in a man is expected to court today charges theft.

The Immortelle, a wreath given by Queen Victoria to commemorate the 25th of the Drive in the 2

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Send for full details, entirely without obligation. Please write to: Help the Aged, Room T6C, 32 Dover Street, London W1A 2AP.

GPs' rheumatology training inadequate, report says

By Annabel Ferriman

Health Services Correspondent

Although a quarter of the people who go to a family doctor consult him about rheumatic complaints, the training of general practitioners in the disease is inadequate, a report from the Arthritis and Rheumatism Society says today.

Expert advice from the hospital services is also less available than it should be, since 17 of England's 90 area health authorities are without a consultant rheumatologist, it says.

The report, published at the start of arthritis week, recommends that medical schools provide more imaginative teaching in rheumatology and devote more time to it so that family doctors can provide a better service.

Support services for general practitioners should also be improved. They should have access to investigative facilities and more help from nurses, health visitors, social workers and remedial therapy.

Patients have suffered not only from inadequate family doctor advice but also from long delays for orthopaedic surgery.

Dr Colin Barnes, chairman of the Arthritis and Rheumatism Council's executive committee, writes in an introduction to the report: "There is a need

for a sense of urgency to accelerate the processes by means of which every sufferer might receive effective and sympathetic treatment without undue delay."

The report states that a high proportion of people will experience some form of rheumatic disease during their lifetime. About 5 per cent of those between the ages of 16 and 44 have a rheumatic disorder, as well as 23 per cent of those between 45 and 64 and 41 per cent of those aged 65 and older. About six million suffer from either rheumatoid or osteoarthritis.

"High rates of spells of rheumatic disease were recorded in the northern region, Wales and Yorkshire-Humber, and above average rates in Scotland and East Midlands. In contrast, well below average experience was reported from East Anglia and the South-east."

The report by Dr Philip Wood and Dr Elizabeth Bodley, of Manchester University, says that many sufferers experience a high degree of dissatisfaction and disillusionment with their treatment.

Arthritis Treatment in General Practice (Arthritis and Rheumatism Council, 8/10 Charing Cross Rd, London, WC2H 0BN).

West Country asked to save water as drought goes on

Thousands of leaflets and stickers bearing the message "Use water wisely" are to be distributed throughout the West Country to try to avoid a repetition of the 1976 water shortage. The West Country remained mainly dry at the weekend.

The South West Water Authority is asking hotels, guest houses, banks and offices to display the message prominently.

Nearly 200,000 people in Devon and north Cornwall are affected by a hosepipe ban, and some river levels in the region are as low as they were at the same time in 1976.

The water authority said that if people economized it would help to avert further measures that might be necessary. If the drought continues, the authority, which is to meet on Wednesday, may soon have to apply for permission to reduce flows from reservoirs.

Political neutrality of Civil Service defended

By Peter Hennessy

In a rare riposte to public criticism of Whitehall, an anonymous senior official has given warning in a paper prepared privately for the Fabian Society that a politically neutral Civil Service provides "major benefits not to be lightly given up."

A future Labour Government, he says, will depend heavily on the cooperation of the Civil Service. Any change, therefore, must be accepted as reasonable by Whitehall.

"There cannot be a wholesale replacement of the top ranks of the Civil Service—the replacements are not there... and change must be carried out in a way which will not lose public confidence in the administration of government," he explains.

The official, whose name is being kept secret, is a member of a machinery of government working party established by the Fabian Society to advise a future Labour Government on how to implement its policies more effectively.

In what appears to be a direct reference to difficulties experienced by Mr Wedgwood Benn and his officials at the Department of Industry in 1974-75 and the Department of Energy 1975-79, which have been referred to publicly by Mr Benn and Mr

Brian Sedgmore, his former parliamentary private secretary, the official writes:

"The conspiracy theory of civil servants working against left-wing ministers does not stand up... it is also doubtful if the Civil Service as a whole has a conscious political position of its own to defend."

A united government can rapidly secure the support of the Civil Service in carrying through major and sharp changes of policy; and a strong minister with the support of the Prime Minister and his colleagues can impose his will on the government machine.

The position is, of course, more complex if a minister differs from his colleagues over a wide range of issues; but this is often a source of embarrassment and genuine concern to civil servants rather than an opportunity for conspiracy.

The civil servant believes the concept of a neutral Whitehall worked well between 1920 and 1970, when the principles of collective responsibility and the confidentiality of official advice to ministers were largely unchallenged. In the past decade, however, there have been sharper differences between the political parties and frequent changes of government have threatened Whitehall neutrality. Moves towards more open government could lead to official advice becoming known.

After dismissing conspiracy theories about Whitehall power, the civil servant acknowledges: "Although there is probably

no Civil Service policy as such, the present system does produce a strong consensus of Civil Service opinion, highly to one side of the political centre."

"This consensus can be an important, though passive, obstacle to radical change, not so much through political obstruction but through lack of enthusiasm and too clear a view of the difficulties."

Again, in an apparent reference to Mr Benn's disagreement with Sir Harold Wilson over the Industry Act, 1975, and with Mr James Callaghan over some aspects of energy policy, the official expresses concern that the decay of collective ministerial responsibility can make it difficult for a civil servant to reconcile loyalty to a departmental minister with loyalty to a government as a whole.

He suggests that it should be laid down that a civil servant's primary loyalty is to his minister, but in case of conduct contrary to the public interest, he is subject to responsibility to government collectively. For example, an official could disclose factual information to other departments after telling his minister of his intention. More open government would mean such an arrangement to work, he adds.

He proposes a set of reforms that could reconcile a Labour

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LABOUR PARTY CONFERENCE

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The British people were being made the victims of a confidence trick. Mr James Callaghan, leader of the Labour Party, said when he opened the debate at the party's special one-day conference at the Wembley Conference Centre, London, on Saturday.

The conference was called by the national executive committee of the party to approve its statement, *Peace, Jobs, Freedom*.

Mr Callaghan said that the people's trust had been secured 12 months ago by a swindle and that trust was being abused.

The conference was in danger from a Conservative Government whose policies were undermining whole sectors of industry, weakening whole communities and injuring the weakest when they needed help the most.

"They claim," he went on, "that such policies are inevitable. That is a lie. They are not."

"And it is for this conference today to alert our fellow countrymen to the fact that there is a way forward when the policies break down, as fall they will."

He said that democracy relied on the impact of public opinion on Parliament and in the press and it was the party's task to harness that public opinion so that the Government felt the full blast. So far they had had precious little help from the press.

With certain honourable exceptions, the press was not presenting fairly and in an

Conference report by Robert Morgan, Derek Barnett and Stephen Goodwin, of our Parliamentary Staff.

unbiased way the serious doubts that existed about Government policy. Instead there was uncritical adulation of the Prime Minister and all her works, concealing for the moment the serious consequences of the Government's policies.

Even members of the Government had the gravest doubts about her policies and some ministers were resigned to their failure.

There was an alternative. "We oppose the Tory policies of despair with the politics of hope, the cause of democratic socialism," he said.

Mr Callaghan went on to make a bitter personal attack on the Prime Minister. "I do not normally make personal attacks," he said, "but I intend to make an exception in the case of Mrs Thatcher because what she is doing is suffering from the direct consequence of her personal policies."

"We know that there are doubters in the Cabinet even though they have not spoken out clearly, but it is she who is driving ahead herself in a reckless, dogmatic and self-opinionated manner."

"She can hardly conceive that she could be wrong, and the strength of her opinions is the strength of her lack of understanding of some of our problems, while her feel for labour relations is abysmal."

"In international matters she was rescued from the brink of disaster on Zimbabwe independence. And whatever views you

may hold about participation in the Olympics, the zeal with which she and her propaganda machine pursue those athletes who have decided to go is worthy of a twentieth-century Torquemada. Why should our athletes alone be left to bear the whole brunt of the consequences of the Soviet invasion of Afghanistan?"

"Mrs Thatcher is obsessed about the wrong things. And her worst obsession is that a rigid monetarist policy, together with a reduction in public expenditure, will be the twin remedies that will increase productivity, reduce inflation, ensure lower wage settlements and somehow rescue new life and vigour into British industry."

"And if the result of these policies is social injustice, if it means that the needs of the weakest are not met, more unemployment, the destruction of whole communities, then she is prepared to tolerate these things."

Even in her pursuit of legitimate objectives such as a reduction in Britain's overblown contribution to the Common Market, she showed little understanding in her dealings with other leaders of the broader need for economic and political cooperation between them.

In her approach to the Soviet Union she totally failed to comprehend the value of dialogue with their lines of communication open. So were the Americans and the Germans.

"By the stridency of her approach, Mrs Thatcher has unfitted herself for a similar role," he said.

He did not hear anything from her statement to show she had



Photograph by Sally Soames

Mr Callaghan: "A confidence trick" on Britain.

any understanding of the wide and growing gulf between the rich and the poor nations. Her contribution to one of the greatest problems of the 1980s was to cut the aid programme by 14 per cent in 1983-84.

Labour's objectives were clear: economic recovery, industrial regeneration, full employment. The rate of new investment would be increased to help higher productivity. It would stop frittering away the revenues from North Sea oil.

In fact Labour would establish a North Sea oil fund to be used explicitly to regenerate Britain's manufacturing industry to increase public investment and to make additional funds available to the National Enterprise Board. It would introduce statutory

planning agreements with large companies. The success of the Welsh and Scottish development agencies encouraged them to extend that system to other areas. It would revitalize the regions by setting up, regionally, bodies representing local and national government and both sides of industry, with powers and resources to tackle development problems on the spot.

The programme of Labour included price controls and expansion of industrial democracy. It would work towards a reduced working week together with work sharing to help to cure unemployment.

The formula for the next Labour Government would be: planning plus productivity equals prosperity plus full employment.

It would plan for joint ventures with industry. Inflation must be overcome. There must be a more direct relationship between wages and productivity.

In attempting the weaknesses of past attempts at incomes policies, they should not overlook the deficiencies of the present system. Labour's objectives would be reached only if they had a sacred policy on incomes.

Events such as the Soviet invasion of Afghanistan had caused more alarm about the possibility of war than in any previous years. In nuclear arms the world was running a race between catastrophe and control. A wider group of nations needed to discuss controls. But the Soviet Union should know that Britain wanted peace with them and others. While respecting those who called for unilateral disarmament, he could not agree that they should take an insular view of their responsibilities.

Benn pledge on return to full employment



Photograph by Sally Soames

Mr Benn: Britain's right to earn its living.

Labour was against the domination of the Third World by the International Monetary Fund and the multinationals whose policies lay behind some of the tragedies identified in the Brandt report. Mr Wedgwood Benn, MP for Bristol, South-east, said in winding up the debate for the NEC.

It was committed to a return to full employment as the first priority of the next Labour government. The use of the microchip did not deal with industrial unemployment on a scale needed to produce more jobs. Industrial reequipment must be a high priority to allow the nation to earn its living, and it was by the expansion of the public service that it would find the new engines of growth in the 1980s and 90s.

It could not be in the interests of world trade that British industry should be destroyed while it was being re-equipped. Nor did the Labour Party accept a form of import controls practised for too long. Import controls imposed by unemployment. It favoured investment directly in industry through public ownership as happened after the Second World War.

He went on: "No Labour Government should buy back from private speculators assets built up by the taxpayers' money over the years when they were in public ownership."

Labour was asking for industrial democracy, which in the first instance would mean the reestablishment of full trade union rights threatened by the Employment Bill, and they would repeal it in its entirety (renewed applause).

Labour was committed to a return of the law-making and law-gathering powers to the House of Commons so that the EEC could not prevent the Government from implementing its policies.

On freedom, it would end the House of Lords, which had been on its priority list since Khrushchev advocated it, and not made better by having Labour members in it.

It would introduce a freedom of information Act, probably the best way to control the Civil Service and other secret power, and shift the balance of power so that Labour came again to power and did not just put Labour ministers in office.

The country was facing a grave situation. There was a deepening

world slump and a weakened Britain. Government policies were an attack on the young, on the black community, and while this happened they say the dismantling of the welfare state and the emergence of a law and order society where chief constables were supposed to fill the gap left by the horrors of monetarism.

When they returned to power they would inherit a situation as critical as that in 1945. Then there were three million men and women in the services who had to be returned to industry which Hitler had tried to destroy by bombing.

"We shall have", he said "two to three million long-term, demoralised unemployed who have to be put back into factories, not which Hitler had bombed but which Thatcher and Joseph had closed."

He drew some comfort from the fact that so powerful was the message that they were trying to get across, a strong was its appeal, that some powerful newspapers and proprietors spent so long trying to distort it, to confuse people, to divert them because they knew that if the British people could have heard what had been said at the conference they would respond to Labour's aspirations and hopes and determination.

That was the greatest compliment Fleet Street paid to the Labour movement.

Mr Benn sat down to a standing ovation from many delegates and prolonged applause.

The document, *Peace, Jobs, Freedom*, was approved by 5,164,000 votes to 6,000 on a card vote.

Negotiate from moral strength

The policy document renounced any nuclear succession to Polaris and opposed any deployment of cruise missiles in Britain. Miss Jean Lesor, MP for Essex and Slough, said in opening the afternoon session on behalf of the NEC.

The document was not arguing for an isolated, self-contained Britain. On the question of missiles and nuclear weapons it acknowledged that Britain was tied up with many other countries, but Britain could take a lead.

Miss Lesor did not think it true that one could negotiate only from a position of military strength. One could also negotiate from a position of moral strength, and the moral argument over nuclear weapons was stronger than ever.

"We cannot allow what has happened in Afghanistan to drive us back to the dark days of the cold war; as the Tory Government is rapidly doing", Miss Lesor said.

"Detente was never designed to be some grand sweeping gesture that would bring instant peace. It was supposed to be a succession of steps towards disarmament, peaceful coexistence and genuine peace. We must get back on that road."

How far from some delegates, Mr Dennis Healey, MP for Leeds, East, said the party could not approach it if it was to win the next election.

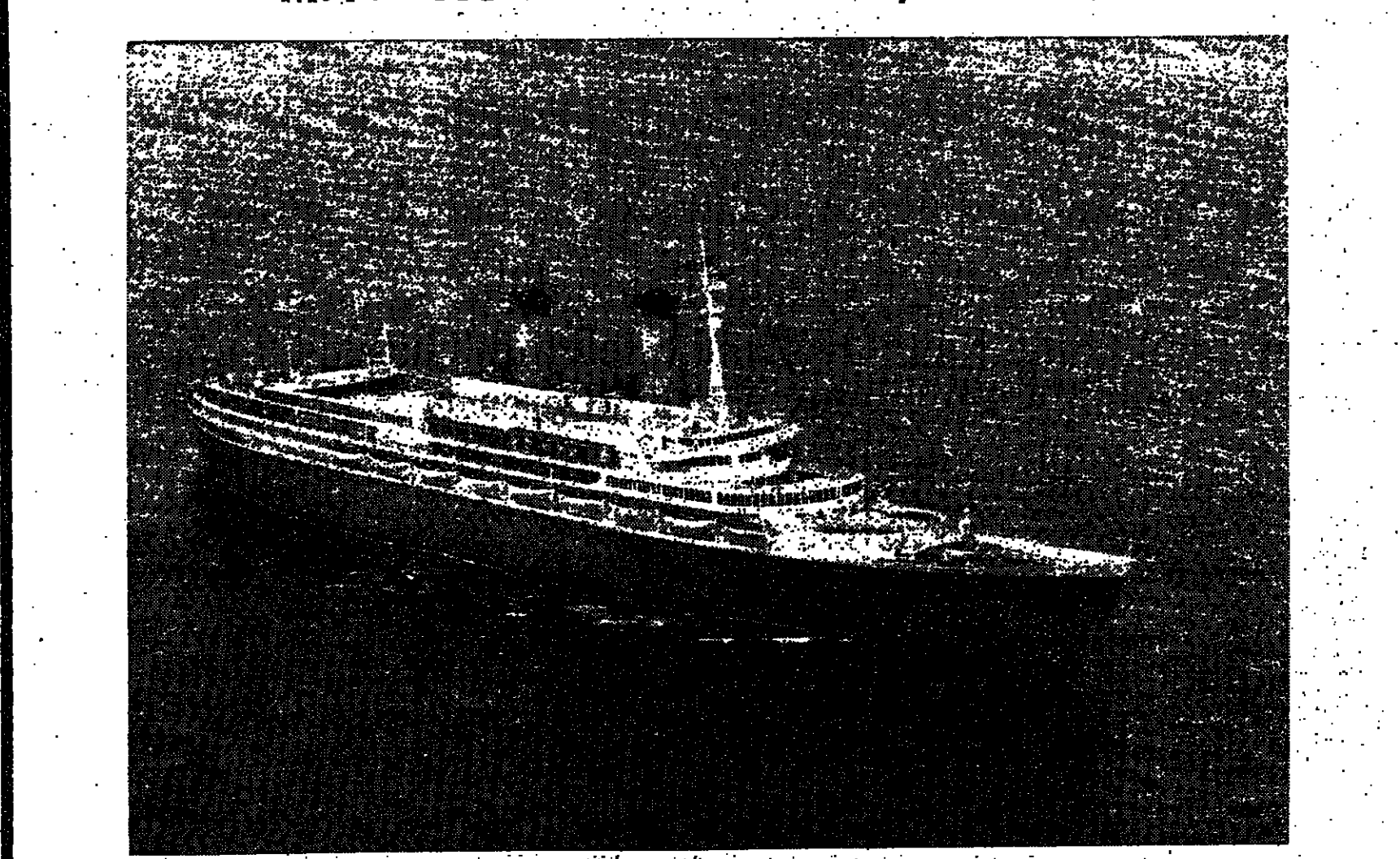
"We certainly will not win it if we follow the advice given by our delegates and sit on our hands and let the Tories take over and stay in power unless every dot and comma of our own party ideology is accepted and put in the manifesto."

"We will not win it if instead of meeting the real needs of the British people we go on ideological ego trips or accept the clapped out dogmas which are being trailed by the toy town Trotskyists in the Militant group."

Shouts of "out, out" had accompanied Mr Healey's progress to the rostrum.

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WEST EUROPE

Reserve and formality fall away as Pope moves among crowds

From Charles Hargrove
Paris, June 1

After the republican pomp and ceremonial of his arrival, the imposing liturgy of Notre Dame and the political contacts and conversations on Saturday morning at the Elysée Palace, the visit of Pope John Paul to France reverted to the pastoral character on which he had insisted.

Its highlights were his encounter with the world of labour and foreign workers in the "red" neighbourhood of St Denis, on Saturday evening and the "Mass of the people of God" before a congregation of 500,000 at Le Bourget airport this morning.

The formality and reserve which had marked the first encounter with France (after all, this is a dechristianized country with a strong Gallican tradition) gave way on Friday evening to warm and uninhibited enthusiasm which enveloped the Pope all along his journey back to the Nunciature by the river.

It was the same at St Denis, where a crowd of 50,000, including many youngsters and foreign workers, had been waiting in the rain for hours before the historic basilica, former necropolis of the French kings, to give him a rousing welcome.

This grew in intensity and fervour when, by a few words of sympathy, he established, as he knows how to do, a sort of intimate personal rapport.

It was the same at Le Bourget this morning. Protected only by a white umbrella, he braved the elements for three hours like the devout crowd spread as far as the eye could see from the 30 foot high monumental podium.

For what, to him, was this most important meeting with ordinary French men and women, he showed that time was no matter; in spite of signs of fatigue, he even added to the length of the ceremony by insisting on giving communion himself in a large number of sick and handicapped as well as to the 40 children originally selected to meet him.

The power and warmth of his personality and the strength of his conviction seem to sweep all before him—the underlying criticism of the establishment, the ironical indictment of the Parisian man in the street, the cast-iron certainties of the

communist faithful—however much they try to resist.

This force enables him to take advantage of every event and situation of this historic visit—the word is not too strong for the first voluntary journey of the Pope to the country of the French Revolution—to drive home, allusively but firmly, the lessons he considers necessary for French believers and unbelievers.

Contrary to reports before his arrival he has come not to administer or to condemn, read the riot act to the Government over abortion, or to the clergy over doctrinal or liturgical deviations, but to encourage and to persuade.

This Pope, widely heralded among the French intelligentsia as conservative and unbending in questions of faith and discipline, has shown a tolerance on all but what he considers essentials which must enrage the traditionalist disciples of Mgr LeFebvre.

He praised worker priests on Friday and celebrated a "pop Mass" in the Basilica of St Denis—planned by the very "progressive" Catholic Workers' Action—to the accompaniment of guitars, flutes and militant slogans which at times, gave it the air of a party rally.

His entry into the basilica was greeted with a hymn which sounded like a Christian version of the "Internationale"—"people who toil and struggle for a better world: Stand up, arise, the world is in your hands".

Mgr Deroubaix, the Bishop of St Denis, set the tone of the service in his address of welcome. Our basilica is very beautiful but the workers who built it are worth more than its stones. Yet they are treated far less well.

In the early part of the Mass, a layman said, between verses of the Kyrie: "For profit, our jobs are suppressed, foreign workers expelled, our children deprived of a future, and we are not united to struggle".

But outside the basilica, on a podium draped in crimson and backed by a crimson drapery carrying, in gold, the slogan of the Young Catholic Workers' Action ("A young worker is more valuable than all the gold in the world") the Pope gave what is probably the most



The Pope says Mass in the rain at Le Bourget.

powerful of the many sermons he has given on this visit.

He exalted maternity and manual labour and implicitly condemned contraception. He gave his blessing to the struggle for social justice and, without naming the communists, condemned those who sought it through class hatred or through "a rigid formula like the victory of a system or a party, rather than the real needs of man".

At the close, in a few simple, impromptu words, which went directly to the hearts of his audience, he said: "We have persevered together during this stormy journey through rain and sun; I hope that all through your life it is the same".

After the ceremony, he walked from the basilica between the crash barriers, shaking hands right and left, to a hall opposite where he was closeted for an hour with worker priests to shouts of "Vive le Pape" and "merci, merci".

He signed the golden book of his municipality and shook hands with delighted councillors.

At Le Bourget, where he co-celebrated Mass with all the French Bishops, the Pope spoke of the dignity of man and the threat to it through man's "sinful" progress in mastering the forces of the world.

Was this not due to his neglect of the alliance with the eternal wisdom of God, he asked. And was France, that oldest daughter of the Church, faithful to that alliance? Had she not forgotten her baptismal vows?

He raised the question again this evening at the seminary of Issy, just outside Paris, condemning both the "progressive and traditionalists" for the first time in his address to the same bishops and insisting on the "just, that is to say, authentic, interpretation of the magistry of the second Vatican Council".

Left-winger elected as 'Le Monde' editor

From Charles Hargrove
Paris, June 1

M Claude Julien, the editor-in-chief of the weekly diplomatic supplement of *Le Monde* was today elected editor-in-chief of the daily newspaper, in succession to M Jacques Favre.

M Julien, who is 55, was chosen in the second ballot at a meeting of the 180 members of the Association of Journalists of the newspaper, who are its shareholders, by more than two-thirds majority required by the statutes.

M Alain Jacob, its Peking correspondent and his main challenger.

M Julien will not take over the editorial chair until the beginning of 1981, when M Favre, who has been editor-in-chief since 1963, retires. His term of office which started in 1971 ended when he reached the age of 65 was extended last year for another three years by a small majority.

Though an outsider in the editorial staff, M Julien has steadily consolidated his position since the first ballot last February, in spite of the opposition of a substantial part of the editorial staff, in particular the two leading departments, home and foreign, were opposed to him.

He joined the staff of *Le Monde* in 1951, as a sub-editor, and in 1959 became deputy foreign editor. A few months later he took over control of foreign news. After a leave of absence from the newspaper for six months, until December, 1972, he took charge in January, 1973, of *Le Monde Diplomatique*.

When he takes over he will probably accentuate the independent, anti-establishment and progressive slant which the newspaper assumed after the retirement of its founder, M Robert Ruess.

Under M Julien's editorship, the diplomatic supplement has assumed an uncompromising left-wing character, especially in its treatment of the problems of developing countries.

M Julien, who is the author of several books, has never made any secret of his convictions. In one of his latest works, *The Duty of Disrespect*, he described the job of a journalist as being against all forms of institutionalized authority.

He has emerged as a strong personality, the man to be stopped for those who did not share his views. But he had the support of the young Turks of the editorial staff of the newspaper who since 1968 have successfully pressed for a more "collegial" definition of the newspaper's policy, and for a greater degree of political commitment.

At the three successive election meetings, which were needed to produce the required majority of votes, M Julien outlined his ideas on the modernization of the newspaper and its supplements needed to face the increased competition and costs, and the guidelines of his future editorial policy.

In his book he asserted that the "journalist cannot share the conception of truth of authority, authority of the state, of those who shape opinion and who decide. He who attempts to think and to write has no other choice but to reveal what every authority attempts to conceal. This is the duty of criticism of whoever wants to observe and explain."



M Claude Julien, chosen by journalists.

OVERSEAS

Israel Cabinet dispute over proposals for Weizman successor

From Moshe Brilliant
Tel Aviv, June 1

During sharp exchanges at the weekly Cabinet meeting in Jerusalem today, Mr Genachon Begin, the Prime Minister, firmly rebuffed Mr Ariel Sharon, the Minister of Agriculture, who was campaigning for the defence portfolio in the Israeli Government.

Mr Begin closed the discussion by declaring coldly and unequivocally that negotiations for the reorganization of the Government would continue on the basis of proposal to make Mr Yitzhak Shamir the Minister of Defence and to replace Mr Shamir Foreign Minister with Mr Yitzhak Mordechai.

However, Mr Begin cannot be sure of parliamentary approval for the moves, mainly because the Democratic Movement for Change, part of the governing coalition, questions the suitability of Mr Mordechai, the Minister of Energy and Infrastructure, to run foreign affairs.

The Prime Minister told the Cabinet he will announce to the Knesset tomorrow that in the meantime he will retain the defence portfolio, which he acquired automatically when Mr Weizman's resignation became effective on Wednesday. He will also ask the Knesset to reappoint Mr Mordechai Zippori, Mr Weizman's deputy to that position.

Mr Sharon, a general and a hero of the Yom Kippur War, considers himself to be best qualified for the defence portfolio and he carried his campaign to the Cabinet today. He attacked Mr Begin's proposed reshuffle, saying that the security situation was too serious to be entrusted to a novice.

Mr Shamir was a leader of

the Stern Gang in the 1940s and later served with the Israeli secret services in Europe, but he has had no experience in military matters.

Mr Sharon said that Mr Begin would assume a heavy responsibility if he failed to appoint a defence minister who knew the answers to Israel's military and security problems. Including the concentration of Soviet tanks in the region and the worsening situation in the occupied territories. Mr Sharon said that he knew the answers.

Mr Begin replied that free countries including Britain and the United States, preferred civilian defence ministers.

The Prime Minister had considered Mr Sharon a suitable candidate for the defence portfolio, but held back because of threats by the Democratic Movement for Change and the Liberal Party to bring down the Government if he was appointed.

Mr Sharon, annoyed the Prime Minister by his tone today and Mr Begin asked him whether he had leaked a letter to the press. Mr Sharon replied angrily and criticized the Prime Minister's unbridled attack on Mr Weizman as a party to the Thursday night. Mr Sharon said that if he was attacked in that manner he would reply in kind. Both men raised their voices.

An official announcement disclosed tonight that Mr Begin will make a statement to the Knesset regarding Israel's position on Jerusalem, criticizing the European initiative to amend Security Council Resolution 242, and expressing appreciation for the United States undertaking to veto any such move in the council.

Arab schools and economy affected by clampdown

Continued from page 1

May 3 and in the neighbouring village of Beit Sahur, another high school, which 16 pupils, has been shut since May 8.

The schools were apparently closed because the students were suspected of taking part in demonstrations and attacking Israeli vehicles. Three large boys' schools in the West Bank have also been closed since early May.

Parents claim that the closures have damaged the chances of their children securing vital academic qualifications. They maintain that the shutting of whole schools is a blatant example of "collective punishment" but this is denied by the Israelis.

The switch in Israeli tactics has caused a serious breakdown in the strained but workable modus vivendi which had existed between the Government and most of the Arab mayors. What

little contact there has been in recent weeks has usually been to admonish the mayors for breaching the new restrictions on their activities.

Arabs claim that the West Bank economy has been badly affected since the hardening of the clampdown, particularly in towns subjected to long curfews.

The owner of a glass factory in Hebron said that trade had dropped by more than 50 per cent because of the lack of tourists.

"We would like the Israelis to understand the dangerous effect their policies are having on our people, but with Moshe Dayan the former Foreign Minister and Ezer Weizman (the former Defence Minister) gone, there is really no one left in the Government to talk to," one West Bank leader said. "We feel that our only chance is to try to get the world to understand the way we are having to live."

What Resolution 242 said

Resolution 242 of the Security Council, November 22, 1967:—

Affirms that the fulfilment of Charter principles requires the establishment of a just and lasting peace in the Middle East, which should include the application of both the following principles:

- (1) Withdrawal of Israeli armed forces from territories occupied in the recent conflict;
- (2) Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every state in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force.

2. Affirms further the necessity:

- (a) For guaranteeing freedom of navigation through international waterways in the area;
- (b) For achieving a just settlement of the refugee problem;
- (c) For guaranteeing the territorial integrity and political independence of every state in the area, through measures including the establishment of demilitarized zones.

Briton held by Afghan guerrilla

Islamabad, June 1. — A British teacher said today that he had been held captive for three weeks in Afghanistan by Muslim insurgents who killed more than 20 people travelling with him.

Mr Jeremy Norman, aged 30, from Horley, told Reuters that he was threatened with death several times by Afghans who thought he was Russian.

The people killed, suspected supporters of the Kabul Government, were passengers in a convoy of buses and lorries ambushed between Kabul and Kandahar.

Mr Norman was held separately by two guerrilla groups until he was taken to Baluchistan province, near Pakistan where he was detained again by a third rebel group for four days.

He arrived in Islamabad last night with injured feet, carrying only his passport and wearing Afghan clothes, given him by the insurgents.

He had walked about 150 miles over mountains from a guerrilla camp about 100 miles from Kandahar.

He had entered Afghanistan on May 9 on his way back to Britain from India. He said his bus, part of a convoy led by an armoured car, was ambushed on May 11.

"About 200 people were rounded up very quickly and

chained about eight to the hills. The lead group thought I was best and kept hitting me and jabbing me with their rifles."

They went through our papers and the people they suspected (Communists) the next morning were taken to a camp. Mr Norman said he was captured by another group. He reached Pakistan on May 24 and was released on May 25.

He was allowed to sign a statement of being treated well—under threat.

East African leaders to meet for Uganda talks

From Charles Harrison
Nairobi, June 1

The leaders of Kenya, Tanzania, Sudan and Uganda are to meet at Arusha, northern Tanzania, on Friday to discuss the Ugandan situation resulting from the recent coup there. President Daniel Moi, of Kenya said here today.

He made the announcement in a speech marking the anniversary of Kenya's assumption of self-government before independence in 1963. President Nimeiry of Sudan has recently appealed to the East African leaders for a meeting to seek solutions to some of Uganda's problems. He addressed his appeal to Mr Julius Nyerere, chairman of the Ugandan Military Commission, and to the presidents of Kenya and Tanzania.

Mr Moi said today he was far from happy with the events in Uganda, and suggested that all the recognized leaders in that country, presumably including the deposed President Binaisa, who is under house arrest, must be involved in seeking a solu-

tion to the country's problems. Kenya, he said, wanted to be a good neighbour to Uganda, and it was in this spirit that he would attend the summit meeting.

Political activity has suddenly come into the open in Uganda for the first time since the 1971 military coup.

After last week's return from exile of Dr Milton Obote, the former President and leader of the Uganda People's Congress (which was in power at the time of the 1971 coup), the Democratic Party launched its own campaign yesterday with a rally in Kampala that drew a large audience.

There are plans to launch a third party, which has not yet decided on its name, with the support of leaders (including Mr Yoweri Museveni, deputy chairman of the Military Commission, who do not belong to the two main political groups. The Uganda People's Congress is to launch its campaign in Kampala on Saturday, when Dr Obote is to address a rally.

Al Fatah seeks more support in Europe

From Robert Fisk
Beirut, June 1. — Al

the dominant group in the Palestinian Liberation Organisation, concluded its annual congress in Damascus this week with a promise to intensify armed struggle against targets in the occupied Bank and to increase diplomatic efforts to obtain a West European

The congress, which a vote of confidence in Yasser Arafat's leadership, called for increased diplomatic activity by PLO representatives in Canada and Japan.

As usual, the group's statement of intent included goal of revolutionary war and a reiterated commitment to accomplish complete liberation of the land, the liquidation of Zionism, and the establishment of a secular, democratic state with Jerusalem as its capital.

The PLO's supporters that this does not mean Al Fatah is dedicated destruction of Israel. It wants an end to Zionism and to the Jewish presence in Palestine. Palestinians still want to see the Israeli state with no comfort from those who find it easy to preach Zionism as "regard the references to the PLO clearly see ever, that its diplomatic moves are producing results: the statement mentions political groups in the PLO's desire for land.

In Western Europe and Canada, it says, it should "intensify action... by making the support of the PLO a condition for the receipt of aid, and by stopping these countries from the Zionist winning their reconnoitring the PLO as the sole representative of the Palestinian people."

In a number of rumours, the congress renounced Mr Arafat's "militaristic travels."

There were at least interesting additions elected council. One Khalil al-Natcheh, Al representative in Saudi Arabia, the other was Mr Sa'ad Khyat, the representative in Jordan.

These appointments movement's increase, for diplomatic influence in Jordan and Saudi Arabia. The Camp David process is in a state of decay.

The statement of the necessity of an "armed struggle" West Bank. The PLO has realised that within Israel-occupied territory as opposed to a Israel, it is not possible to be infinitely more out to the Israelis and a more dramatic abroad.

As always, the group that the Palestinian must remain independent other Arab powers, names the United States "Enemy of the People."

However, American action of the PLO after denial election in would be an enormous move for Mr Arafat. It is likely to endanger the possibility of such a coup action against America by people in the East just now.

Britain likely to accept Brussels deal

By Ian Bradley

The British Cabinet is expected to accept the improved EEC budget settlement negotiated in Brussels on Friday at a special meeting today.

Ministers have been considering the settlement, which also involves a 5 per cent increase in farm prices.

After the Cabinet meeting there are likely to be statements in Parliament from Lord Carrington, the Foreign Secretary, and Sir Ian Gilmour, on the budget settlement, and by Mr Peter Walker, the Minister of Agriculture, on the agricultural agreement.

Police arrest 20 people as violence flares in Zurich

From Alan McGregor
Geneva, June 1

Stone-throwing demonstrators fought with police last night for the second night running in the streets around Zurich Opera House, apparently in protest at the city council's plans to spend £61.4m Swiss francs (about £15.7m) on renovating and enlarging the opera house.

Several shops were looted in the disorders, which continued into the early morning. Police, who used teargas and rubber bullets, said 20 people had been arrested. Friday night's violence was also marked by looting, and 11 people were arrested.

In directing operations against the demonstrators, many of them teenagers, the 51-year-old head of the police special squad collapsed and died of a heart attack. A number of police were injured.

Genscher backing for EEC accord

From Gretel Spitzer
Berlin, June 1

The Bonn Government, though aware of the financial burden arising from the Brussels compromise on Friday, has backed the EEC budget settlement, which assesses its political significance higher than the financial problems involved.

This became apparent today when Herr Hans-Dietrich Genscher, the West German Foreign Minister, commented in a radio interview on the intended veto of Herr Hans Matthöfer, the Finance Minister.

Herr Genscher said that it was really a question of the EEC's competence to act; that this competence was part of

the political balance in the world; that everyone who commented on this question had to bear this in mind.

On the other hand, Herr Genscher showed understanding for the Finance Minister's concern over the financial problem.

He added a warning, however, that the German side should not question the Brussels compromise: "It would be a grave setback for Europe's competence to act and therefore for our possibilities" of acting together in international politics, over East-West relations and in securing peace.

Herr Herbert Wehner, the chief whip of the Social Demo-

cratic Party announcing Herr Matthöfer's intended veto yesterday, said that West Germany was not prepared to let itself be milked like a cow.

Without quoting any names, Herr Genscher said that if the West Germans were a milk cow "we could not deny that the European merger" would "suit us quite well".

Herr Hans Matthöfer's intended veto was strongly criticised by the Finance Minister of the Free Democratic Party's two junior partners in the coalition.

In fact the Finance Minister has a right of veto on financial policy decisions. It is, however, a delaying factor only and can be overruled.

Holland celebrates Queen's day with a difference

From Robert Schull
Amsterdam, June 1

Holland yesterday celebrated Queen's Day in the traditional way, yet with an important difference: it was the Queen's day and the "wrong" queen.

Queen's Day in the Netherlands is traditionally a combination of national holiday and celebration of the monarch's birthday marked in particular by a procession of thousands of people, representing all aspects of Dutch life, past the royal family assembled on the steps of Soestdijk Palace.

During Queen Juliana's reign the tribute took place on April 30, her birthday. This year it was impossible because on that day she abdicated and her eldest daughter, Beatrix, was invested as the new Queen.

Public insistence, led to the decision to hold one last procession past the palace, albeit a month later. So the surroundings of what for the past 32

years was the royal residence yesterday presented perhaps the greatest bustle in all those years.

On the steps of the palace were Prince Juliana and her husband, Prince Bernhard, surrounded by their four daughters—including the new queen—and with their husbands and children.

The palace steps were transformed into a sea of flowers as some 4,000 people filed past. For many of them and to millions of television viewers who watched a broadcast lasting more than three hours, it was perhaps a more characteristic Dutch way of saying goodbye to Queen Juliana than the pomp of the abdication and investiture.

In a few simple words of thanks the former Queen spoke of "an unbelievably beautiful final word".

Her name will remain linked with Queen's Day.

Communists likely to call for Cossiga impeachment

From Peter Nichols
Rome, June 1

The meeting of the Communist Party national executive tomorrow is expected to call for the impeachment of the Prime Minister on grounds that he allegedly helped the escape of a presumed terrorist.

The political crisis, according to one leading commentator this morning, is perhaps the darkest in the 35 years of the republic.

Parliament's commission of inquiry yesterday voted by a majority of 11 votes to nine to close the affair. They had heard Signor Francesco Cossiga, the Prime Minister, and his Christian Democratic colleague, Signor Carlo Donat Cattin, whose son is the supposed terrorist allegedly wanted to leave the country.

They also heard the evidence of Signor Roberto Sandalo, an accused terrorist. His confessions in prison include the allegation that his friend, Signor Marco Donat Cattin, had been charged of terrorism. Signor Marco wanted to go into hiding by his father who had spoken twice about him to the Prime Minister.

The narrow vote for not proceeding was insufficient to bring the case to a full stop.

There was still room for a parliamentary initiative by which the collection of sufficient signatures would bring about the Prime Minister's resignation before the two houses.

They would have to decide in joint session whether to send him for trial before the Constitutional Court. This initiative requires 315 votes. If the Communists decide at their meeting tomorrow to go ahead with this plan they ought on paper to be able to raise the required total.

Signor Carlo Donat Cattin last night resigned as deputy secretary of the Christian Democratic Party.

Signor Cossiga's position is politically much more delicate. In a week, the country votes in regional and local government elections.

He had hoped to receive reinforcement for his tripartite coalition of Christian Democrats, Socialists and Republicans not only to close his chairmanship of the European Council but also to prepare for the two international summits in Venice this month—the EEC and the leading industrialized countries—as well as the official visit here before the second Venice meeting of President Carter.

Parliament does not sit again

until June 10 and the commission of inquiry's report is expected to be debated on the following day. He has now to decide whether he should take any decisive step before the elections or await the debate in Parliament.

It is ironic that Signor Donat Cattin is identified as a Christian Democrat with a characteristic reluctance to resign. A reputation he had before events yesterday forced his hand, whereas Signor Cossiga is practically unique in having resigned out of genuine grief and sense of failure when as Minister of the Interior he was unable to save his friend Aldo Moro from death at the hands of terrorists.

A third casualty of the affair so far is Signor Antonio Ghirelli who was summarily dismissed yesterday from his post as press secretary to President Pertini.

The head of state was in Spain while the commission of inquiry was sitting. A remark by Signor Ghirelli taken to represent the president's thinking resulted in his dispatching calling for Signor Cossiga's resignation in the event that his full innocence could not be proved.

The dispatches caused anger at the Christian Democratic headquarters, where they were seen as interference by the palace. President Pertini denied making the remark and reinforced it by promptly dismissing his old friend whose business was to brief the press.

The President returned today amid unseasonable hailstorms looking grim and not at all the statesman content that tomorrow he would be celebrating the 35th anniversary of the republic for which he fought so hard.

Two meetings took place last month between the Prime Minister and Signor Donat Cattin on the subject of the latter's son, according to statements made yesterday to the commission.

The younger Donat Cattin is allegedly a member of the far-left-wing Front Line terrorist group. He was, and still is, wanted on charges of armed conspiracy. Signor Cossiga told the commission that he informed Signor Donat Cattin that there was nothing more specific than this generalized charge.

He said that this was the first thing that came into his mind to say. The legal point is whether he revealed official secrets.

This is a subject of particular public interest because little

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Golf



Biting off more than he can chew: Lee Trevino, put out by a putt that cost him joint leadership after the third round of a golf tournament at Bethesda, Maryland, finds an erring putter on the last green, after a birdie at the seventeenth, hard to swallow.

Cañizares stays calm in his crisis

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Rugby Union

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Badminton

Mrs Perry dominant in world doubles victory

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Athletics

Britain reply to criticism in the best possible way

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Rowing

British raiders count up easy victories

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Horse show

Sad farewell to Manhattan

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Boxing

Conteh steps sideways into brave new world

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THE TIMES

BUSINESS NEWS

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MPs' committee wants access to Treasury's secret financial forecasts

By Caroline Atkinson

An assault on official secrecy is in preparation by the Treasury and civil service committee of the House of Commons.

The committee made clear in its report on the Government's Budget and spending plans, published last month, that the Treasury's refusal to disclose many of the assumptions underlying the economic and financial strategy hampered the committee's investigation.

The committee is likely to go ahead and open a debate with the Treasury and Sir Geoffrey Howe, the Chancellor of the Exchequer on the question of disclosure now that the Whips' recess is over.

Mr Edward Du Cane, committee chairman, is thought to have been to see the Chancellor already to discuss the issue.

The committee is expected to draw up a report on disclosure, saying which information the Treasury should provide, and why. This will then go to the Treasury for reply.

Several areas exist where the committee pressed Treasury witnesses and the Chancellor to give information on forecasts and assumptions, but to no avail.

On public spending, the committee wanted more detail of spending plans in the White Paper, and in particular a breakdown of public spending by "economic category" (showing current and capital spending, and spending on subsidies) which went further than one year ahead.

It also wanted the Treasury to reveal its predictions for future unemployment and forecasts of the likely corporate sector deficit consistent with the Government's financial strategy.

The Chancellor annoyed committee members, when he first gave evidence by opening with a defence of keeping secret these forecasts and assumptions and other official advice on economics. He spoke of the need for confidentiality about market-sensitive information such as expected company liquidity and interest rate and exchange rate policy.

The committee believes that, in order to do its job of keeping the House of Commons informed about the Government's economic policy and the workings of the Treasury, it needs some of this information.

Mr Du Cane is also chairman of the Commons liaison committee, which looks at this problem in the light of all the committees.

BL captures major UK dealership from Datsun

By Clifford Webb

Midlands Industrial Correspondent

BL has captured one of the biggest Datsun dealerships in the country and is negotiating with a further 92 dealers who want to switch allegiance from United Kingdom and foreign car manufacturers.

BL's franchise is becoming attractive despite the motor trade heading for one of its worst profit slumps for many years.

The defection of Davenport Vernon, which has impressive premises on the outskirts of Milton Keynes, is surprising because BL range from the 850cc Mini to the 40-ton Leyland Roadtrain truck. That is the most extensive product range in the country and in itself explains why we were so keen to join BL.

Datsun is good but it cannot match the range.

The recession facing the motor trade is already serious but it will become much worse. Industry sources report that stocks of unsold cars in Britain now total 450,000.

At the end of the predicted 1980 market of 1.5 million cars already sold it is apparent that there are already sufficient cars to cover the next four months' sales.

BL has been criticized by its competitors for cutting prices and sales with its Buy British campaign and leaving a vacuum for the rest of the summer.

Although rivals' stocks were continuing to increase BL had reduced its stocks from more than 100,000 to an estimated 70,000 by the end of April. BL may have reduced stocks too much for some models. BL has had to increase production of the Princess and Maxi from 680 a week to more than 1,000.

BL's control, together with the restyled Marina due in July and the Mini Metro due in October, which is proving so attractive to other franchise holders. While BL was reducing its inventory, importers' stocks are reported to have increased from 130,000 to 160,000.

Discount jungle, page 21

Strength of Greek shipping fleet sets tricky problem for EEC

From Michael Bailly

Athens, June 1

Key talks are to be held here this week between Mr Richard Burke, the EEC Transport Commissioner, and Greek shipping leaders over the sensitive implications of Greece's entry into the European Economic Community in the new year.

The Greek merchant fleet is the world's largest after Liberia, and no one underestimates the impact which Greek entry will have on the EEC's still-formative shipping policies. Equally no one yet knows what that impact will be, and there is a good deal of apprehension on both sides.

Greece's maritime pre-eminence has been built on the natural entrepreneurial flair of a seafaring race which can hardly fail to breathe new life and commitment into the stuffy corridors of Brussels.

But this flair has blossomed only in an environment of max-

imum commercial and regulatory freedom, which many Greeks feel could be trampled by the Brussels bureaucracy.

A particular concern is safety and anti-pollution, in pursuit of which the EEC is likely to engage in a positive drive against substandard ships, of which an embarrassingly large proportion has been shown in the past to be in Greek ownership.

Yet the best of Greek shipping combines entrepreneurial skills with technical and operating standards as good as the best elsewhere; and securing common baselines without inhibiting the flair of the Greek owner will test the diplomatic skills of Brussels, Athens, and the Union of Greek Shipowners, whose president, the highly respected Mr A. J. Chandris, hosts a major international shipping conference alongside the Posidonia marine exhibition in Athens this week.



Mr Richard Burke, EEC Transport Commissioner, in Athens.

More safety testing to ease backlog in approvals

By Derek Harris

Commercial Editor

A government decision to use more private sector testing should almost wipe out delay of up to three years in issuing safety approval certificates for British equipment which were feared to be holding up British exports.

ERA Technology, a private sector tester at Leatherhead, Surrey, specializing in electrical research, is to do certification work in addition to the service provided by the government's British Approvals Service for Electrical Equipment in Flammable Atmospheres (Bassefa).

A three-year contract for ERA is under discussion and is expected to catch up on the backlog of 600 delayed approvals and increase processing capacity for approvals to 900 from 500. Bassefa's siting at Buxton in Derbyshire.

This would not only cope with British demand for safety certificates for goods as diverse as flameproof motors and underwater television cameras, but also it might capture part of a market in overseas goods needing European certificates for EEC markets.

Because of Bassefa's restricted capacity Britain has been missing this trade and some British companies have been forced to seek certification on the continent. British certification is in demand because of the high standards established at Buxton.

The Government's action has included new efforts to bring the Buxton service up to full staffing and follows an interim report to the Department of Employment by a study group led by Mr Denis Johnson, a former president of the British Electrical and Allied Manufacturers Association (Beama).

Beama's complaint about delays at Buxton led to the setting up of the study group. Until safety certificates are issued products cannot be sold in Britain or abroad.

The Government's Health and Safety Commission, which administers the Buxton services, is discussing with the Department of Employment the study group's recommendation that a specialist management board should be set up to look at all certification questions.

Saudi production boost

New York, June 1—Saudi Arabia is now in high gear on its plan to raise its sustainable oil production capacity by about 20 per cent to 12 million barrels daily—but perhaps not quite so quickly as recent reports suggest.

Petroleum Intelligence Weekly reports in its latest issue:

The potential leverage of that much extra oil would enhance the kingdom's influence, with the oil-rich nations and consumer governments, but there is no indication of when it might put the extra capacity to use, despite significant increases in the pace of spending on facilities since last summer.

The full 14 million barrels a day of surface plant capability that would permit 12 million barrels of steady output daily is not likely to be ready before the present target date of 1987, although there is some scope for speeding it up.

Analysts feel the 12 million barrels a day level is likely the maximum that Saudi Arabia will ever produce from the currently operating fields. Even that looks optimistic in view of the current opinion in Saudi Arabia which favours static or even reduced production. Experts say the Saudis simply "want to have the potential in hand".—AP-Dow Jones.

Olivetti gets boost from French link

From John Earle

Rome, June 1

Olivetti, the electronics and office equipment multinational, suffers from being based in Italy and not in the United States or Japan-like its main rivals.

Operating from the Piedmont provincial town of Ivrea, the parent company has the limited resources of a relatively small banking system, while it meets incomprehension and bureaucratic red tape, if not hostility from the government.

Signor Bruno Visentini, the chairman, gave the news to shareholders' meeting last week that the government had approved grants of only \$5,636m (€28.5m) and concessional loans of 18,578m lire (€9.5m) for research—exactly half what it had promised last December.

Signor Carlo De Benedetti, the 46-year-old deputy chairman and chief executive, does not disguise his antipathy towards the Christian Democrats, who have headed all governments since the war. "They are the party of anti-industry," he said in a newspaper interview last year.

Signor De Benedetti has managed to push Olivetti forward, raising profits from 2,071,000 million lire (€106 million) in 1978 to 23,807 million lire (€12.2 million) last year, and returning to dividend payments after four years.

But he told shareholders: "We have only got our heads out of the water, and the finishing line is still a long way away."

The deal with Saint Gobain Pont-a-Mousson, formally approved at the shareholders' meeting, brings useful financial support for Signor De Benedetti's aggressive programme, as well as openings for cooperation with CII-Honeywell Bull, in which Saint Gobain has a substantial shareholding. The alliance will enable two companies to define common objectives and to undertake joint ventures, particularly in France, where Olivetti sees good opportunities in the public sector.

Bank chief appeals for Italian inflation curb

From our own correspondent

Rome, June 1

Signor Carlo Ciampi, Governor of the Bank of Italy, has appealed to the government to curb inflation before it is too late. At more than 20 per cent Italy's inflation is running neck and neck with Britain's.

In his first address to the bank's annual meeting on Saturday since succeeding Signor Paolo Baffi last year, he said: "Our economy risks slipping down the slope which it has laboriously ascended in 1977 and 1978."

The fall of inflation, which has weighed the economy for years, now attacks with new violence. The competitiveness of our prices is being reduced. The public sector deficit presses on available resources.

The balance of payments is once more under strain. The crises of companies are drag-

ging on, becoming aggravated, and new ones are in the offing."

He said monetary measures alone could not solve these problems, but the basic direction had to be to curb inflation. Otherwise it was "adding subsidies on subsidies, waste on waste," in the illusion of providing a remedy. But in fact such measures were only delaying solutions and making them more difficult.

He added: "We still have margins, though restricted, for acting. Inflation can be curbed, measures are needed to limit the public deficit, to promote productivity, to reduce costs in the first phase in a campaign to dampen the recent flare-up of inflation and to begin to remove its profound roots."

The Bank of Italy, he pledged, for its part would maintain a "line of monetary severity."

Mozambique port may be expanded to serve six nations

From Nicholas Ashford

Beira, June 1

Plans are being considered to develop Beira as a major port to serve at least six neighbouring countries, now that there has been a settlement in Zimbabwe and communications between Zimbabwe and Mozambique have returned to normal.

If feasibility studies are approved, it would mean that the port's present turnover would be increased more than

six fold by the end of the decade.

The Mozambique authorities hope that British companies which played a leading role in the port's construction will participate in the expansion programme.

The ending of the war in Zimbabwe had "really changed the situation as far as transport is concerned," senior officials of the Mozambique minister of ports and surface transport, said recently in

Maputo. "Our ports of Maputo, Beira and Nacala were all constructed to serve the hinterland."

"However for the past four years they have been cut off from the natural markets and have therefore been operating below capacity, particularly Beira."

Before Mozambique closed its borders to the world in 1978, the port had a turnover of about 3.5 million tons of cargo a year. At least 60 per cent came from

Rhodesia, with smaller quantities from Zambia and Malawi. At present it is operating at about only 1.5 million tons a year.

Despite reports emanating from South Africa that facilities at Beira had seriously deteriorated during the past four years, the port is still in good condition. A visit showed that the warehouses seemed to be clean and in good order, and cranes and other equipment were working well.

Surveys show hard facts of higher housing costs and lower real incomes

US recession brings crisis of confidence

Americans are glum about their economic fortunes these days. Incomes are down in real terms by quite a hefty margin, housing costs are up sharply, unemployment is growing and the Carter administration's economic policies have failed to boost confidence.

About two thirds of respondents to the new Continental Bank's family financial survey in Chicago thought the latest White House anti-inflation programme would contribute to the recession. Those surveyed felt the programme was "too little too late," the bank said.

The main conclusion of the survey, based on interviews with 750 residents of Chicago, was that consumer confidence was at its lowest since the latest survey started in 1972. This is hardly surprising when considered together with the findings of two other surveys, one dealing with real incomes and the other with home ownership.

The Department of Labour in Washington has just released its survey of incomes which

compares earnings at the end of March with the same date a year ago.

The nominal increases have to be seen against an annual inflation rate of more than 12 per cent. When this is taken into account, the figures reveal declines in real income for all groups.

The rise in gross weekly earnings of the average American family was 8.3 per cent to \$395 (£169), while the average income for families with one earner rose by 6 per cent to \$306 (£131). Given the economic strains, it is hardly a surprise to discover that the number of women joining the full time labour force is increasing. This number of families in which both husband and wife were earners rose by 190,000 to just over 16 million—there are some 40.5 million income earning families in the United States—and the average weekly income of these families rose by 10.5 per cent to \$529 (£226).

The toughest struggle is

faced by American blacks, whose average weekly incomes rose over the last year by a nominal 4.8 per cent to \$239 (£102). By contrast, average white male American weekly earnings rose by 8.8 per cent to \$324 (£138).

These statistics hit home when compared with the results of a major survey conducted by the United States League of Savings Associations. This shows that housing prices have increased on average by 32 per cent across America in the past two years.

The typical house buyer must now budget \$550 (£235) for monthly housing expenses, up 37 per cent from the median monthly level of \$400 just two years ago.

One sign of inflation in America is that only 18 per cent of house buyers last year were buying their first home, while two years ago the level was 36 per cent. More and more young people cannot afford to buy and are renting.

Prices vary but the average house costs \$58,000 (£24,800) and in large cities the average price is \$67,000 (£28,600). San Francisco has the most expensive housing, with average monthly costs at \$925 (£395). Washington is second highest at \$752 and, among large cities, the lowest housing costs are \$462 (£197) in Pittsburgh and \$468 in Philadelphia.

America is still of course a prosperous nation, and there can be no doubt that living standards are higher than in most other countries. All the same, the twin forces of record inflation and serious recession are biting hard and depressing the national mood.

How the American consumer reacts has yet to be seen, but if the trends of this first few months of this year continue, with consumer spending falling sharply, the recession could indeed be long and deep.

Frank Vogl

THARSIS

THE THARSIS SULPHUR & COPPER CO LTD

The Annual General Meeting of the Company will be held on Monday, 30 June, 1980 in the Hotel Lancaster, 7 rue de Berni, 75 Paris (8). The following features are from the circulated statement of the Chairman, Mr Frédéric Veige.

Substantial progress has been made towards complying with the requirements of the Spanish Mining Law of 21 July 1973 and the document containing the Scheme of Arrangement, the relative Explanatory Statement and notices of meetings are being posted to shareholders with this Report and Accounts. It is intended to seek the approval of shareholders at meetings to be held in Paris on 30 June 1980 to the various resolutions required to carry the Scheme into effect.

After taxation the profit of the Group for the year amounted to £982,574 compared with a loss of £807,694 in 1978. Last year there was a charge for an exceptional item in respect of the compensation to be paid to secure the early retirement of a substantial number of employees, which resulted in an overall loss. This year there is no such exceptional item.

The mines produced satisfactorily during the year. The tonnage of pyrites shipped showed a slight increase on the previous year and was again a record in the history of the Company. There are considerable stocks of mineral available to meet any possible additional tonnage required by the market and an important programme of capital investment has been started during 1979 and will be completed in 1980.

The attention of shareholders is directed to the section of the Scheme document dealing with future prospects and dividend policy of the Company and Minas de Tharsis. In the case of Minas de Tharsis, an increase in the internal sales price of pyrites of some 14% was authorised in April 1980 which should help to offset the increase in wages and other costs. Regarding sales, it is expected that we will maintain our 1979 tonnage to the internal market and we hope to increase our export deliveries principally to Mediterranean customers.

On behalf of the Board, I would like to express to all our personnel, senior staff, employees and workmen our gratitude for their effort and co-operation during the year.

THE POUND

BY THE FINANCIAL EDITOR

Dawn raiders' is not battle worth fighting

By Lord Shawcross last valedictory statement as chair-takeover Panel, underline the f the self-regulators over the dawn raids.

...that such raids were worry-cult to know how to deal with, was not at all sure that they rationable as they might at first even if they were it was not omething that could be dealt take-over Code. Shareholders free to sell their shares at the city", he said.

...been a spate of such raids they have attracted a good icty, not simply because they any many shareholders in the mpany the opportunity to sell nanced price, but also because there is the implication that in which the stake is taken up—as a potential takeover

which concern the authorities some shareholders—by implicaes who normally do not have imediate access to the market ted unfairly—and how to use that large shareholders may ped off beforehand that such and get under way.

...at to be two ways of trying to t potential problems. The has been widely debated, is to a new threshold rules into the uggestion—which is dismissed air to large shareholders—is shold under which a bid be-ory should be reduced from per cent.

...s, mooted by Lord Shawcross, purchases of over 10 per cent, 's shares within a limited time o proceed by way of a tender partial bids should be allowed. approach—which, like tender rial bids, has produced mixed United States—is to provide ules to people wishing to make hus, a buyer of, say, 10 per of a company would have to tions publicly.

...though, measures like these arket. Given that the Anglo Beers raid on Consolidated hich sparked off the debate raids, raises the question of 'ert parties who take stakes cent should declare them- same way that single buyers 1 5 per cent have to under w, the dawn raid per se unduly pilloried.

...e is not a new phenomenon; Code ensures that in the f other shareholders would get f the whip and there is always egislation to force disinvest- ment cases.

...er is to let the market be- arholder may well be at a when the dawn raid arrives e other occasions (when, for ants to sell his shares) where dvantage.

...ink of plenty of battles worth-half of the small shareholders, r one of them.

...s rally in the gilt-edged market to be a short-lived affair, as cors last bid, under sterling domestic investors remained t there is little to go for while ner sticks to its strict monetary ver strong the evidence now is t growth is slowing—until it ews on inflation and signs of moderating—anti-monetarist e.

...ds for a cut in MLR are now he last couple of months money is well within the Government's Clearly the continued strength iding is a worrying feature, underlying picture has been the central government surplus ly-to-be temporary.

...ly, however, the authorities vout about the ending of the end of June and the impact on upply figures of bank lending the banking system being "red."

...national wisdom is that sterling nlated by perhaps 2 per cent irth of acceptance credits—the way round the corset that has abling of their proportion of r advances to 16 per cent in

the last two years—are converted back into cheaper bank credit.

The experience of the last two corset periods has been that such reinvestment takes anything up to a year, although of course the corset was not squeezing so hard then. Even so, the Government's present money supply targets seems well able to cope with the return of bill finance to the banking system, although just how speedily the banks, given their present shortage of reserve assets, could cope is another matter.

And it is this that has led some analysts to suggest that reinvestment could boost the money supply by 4 per cent or so, taking it outside the Government's range. With inflation and wage awards so high, and the possibility that other areas of credit creation outside the banks will find their way back to the banking system, the chances of any early cut in interest rates are slim whatever the pressures from industry.

Auditors When to resign...

Disagreement between Grant Thornton and its auditors on the treatment of VAT is likely to prove no more than a precursor to a flurry of arguments between companies and their auditors over the application of accounting standards and the exercise of auditing practices.

For one thing, the standard-setting body has now moved on from the innocuously general to the potentially painful particular—witness the first rumblings of disagreement over the application of the inflation accounting standard.

For another, since there is unlikely to be any change in the auditing requirements, the accounts of small private companies will (or should) be coming in for the same tough treatment as that applied to their publicly quoted counterparts.

The net result is likely to be a rash of qualifications to company accounts. Qualification is already a much less potent weapon than it used to be, and there is a risk that it will be devalued altogether. In that case, respectable auditors are likely to have to face the question of whether they should resign.

It is a question from which all accountants now shy away, and for a complex variety of reasons. First, there are the arguments of simple self-interest: no firm of accountants likes giving up corporate business.

Then there is the fact that the auditors' responsibilities, strictly speaking, are to the shareholders, and the argument that shareholders are better served by the presence of a competent and conscientious firm, prepared to sit tight and qualify till the cows come home, than by the fly-by-night crowd with whom they might be replaced.

This argument is not particularly convincing in the case of the big firms: after all, any publicly quoted company that replaced one of the "big eight" by unknown auditors would certainly cause its shareholders to do a double take. But it does carry some conviction when it is advanced by smaller firms whose names would mean no more to most shareholders than those of the firms who replaced them.

Finally, there is the question of whether a resigning auditor can make his position clear enough to justify the action. Any firm resigning during its term of office is obliged to give reasons under the provisions of the Companies Act, 1976; but the real reasons may be libellous, or they may be individually frivolous but collectively damning.

The arguments for staying with the company may be adequate if the matter at issue is a technical one. But what happens if the disagreement is not merely fundamental and material, but shows every sign of lasting into the indefinite future?

Is not the auditor who then retains his office, however heavily and however often he qualifies the accounts, effectively con- vining at the practices of a company of which he overtly disapproves?

It is possible to argue that the issue of heavily qualified accounts neither could, nor should, be taken as a sign of approval, but under those circumstances it may take a threat of resignation to make the point effectively.

Apart from anything else, auditors resigning in their term of office are obliged to inform their successors of any reasons for disquiet. And the possibility that no reputable firm will audit their accounts ought to be sufficient to bring the most recalcitrant company into line.

Shakh Kamal Adham is the former head of the Saudi Arabian Central Intelligence Agency and the owner of at least nine companies in Saudi Arabia. Mr. Abdullah Darwish is a financial adviser to the royal family of Abu Dhabi. Mr. Faisal Saud Al Fula is the former chairman of Kuwaiti Airlines and an executive of Kuwait International Finance Company, an affiliate of the Bank of Credit and Commerce International of London.

What these three men have in common is their mutual interest in Financial General Bankshares Incorporated, a medium-sized bank holding company in Washington. They sought in vain for 21 years to buy this bank, with its headquarters opposite the White House. Recently they injected their offer to acquire \$160m (£68m) and the bank's board has just accepted the latest bid. The deal still needs the blessing of American banking authorities.

The purchase is unremarkable, except in one respect: it appears to be the largest Arab acquisition of an American company.

For all their wealth member nations of the Organization of Petroleum Exporting Countries (Opec)—of whom the Arabs are the most visible—seem to have steered clear of big direct investments in America. Arab purchases in the United States attract a great deal of publicity, and sometimes the media give the impression that they are buying up the country. But the facts show otherwise.

Opec's worldwide investment portfolio is conservatively estimated to have been \$270,000m at the end of the first quarter of this year. By March 31, direct Opec investment (outside land and company ownership) in America amounted to a mere \$354m.

Investing oil surpluses: why business in the United States can rest easy

Indeed, according to United States Treasury figures, it appears that the cash involved in the Financial General deal will mean, if the acquisition goes ahead, that Opec direct investments in the United States will rise in one go by some 40 per cent.

The oil nations seem to have a penchant for American banks. The Financial General deal is the latest and, by far the largest of a string of bank purchases by Opec interests. Mr. Adham Kashoggi, the Saudi businessman, bought the Bank of Contra Costa and Security National Bank, both of California, and another Middle Eastern entrepreneur, Mr. Ghaisi Pharaon, took control of the Bank of the Commonwealth in Michigan, and the National Bank of Georgia.

Other United States banks owned by Opec interests are the People's Bank of Texas, the First National Bank of Greater Miami, the Caribbean National Bank of Florida, the Main Bank of Texas and the

Duquoin State Bank of Illinois. The list sounds impressive, but in perspective, all these takeovers, plus the smaller investment in American banking than, for example, that made by Britain's Barclays or National Westminster, or

As much as two-thirds of the \$354m of direct investment in the United States is accounted for by only a small volume of direct investment, have been more prominent in some bond ventures.

The Saudi Arabian Monetary Agency appears to be quietly absorbing some private placements of first class United States corporate bonds. Its portfolio includes: \$300m of IBM bonds, \$100m of General Motors, \$100m of US Steel, \$75m of Dallas Power and Light and at least \$500m of bonds of subsidiary companies of American Telephone and Telegraph Company.

of United States corporate bonds appears to have declined in the past couple of years. Perhaps the explanation is simply that Opec's investment managers have been prudent enough to see the dangers of such investments. In 1977 and 1978 Opec's net acquisitions of United States corporate bonds were in excess of \$700m, but in 1979 the total was just \$207m and in the first quarter of 1980 it was a mere \$175m.

Official American sources report that net acquisitions by Opec interests of United States corporate bonds between 1974 and the present are around \$2,875m.

Even more striking is Opec's declining interest in buying shares in the United States exchanges. Between 1974 and 1978 Opec's net acquisitions of American shares, but since then it has added only another \$2,000m to its share portfolio. There was also a declining trend from early 1977 to the end of 1979 in Opec purchases of United States government

securities. Opec investors had clearly become increasingly disenchanted with the dollar and sought to diversify. But the sharp rise in American interest rates in the first quarter of this year aroused Opec enthusiasm and the government securities market again became the focus of attention.

In 1978 the Opec nations were net sellers of \$2,311m of United States government securities and last year were net purchasers of just \$2,181m. In the first three months of this year, they bought \$3,631m of these bills, notes and bonds, to bring total holdings to \$22,302m.

There are some indications that recently Opec has gone back to selling its securities, and this would underline the interest rate sensitivity of the Opec investment managers. If Opec money is not going into the outright ownership of land or companies or into bond and share purchases—and it is unlikely that the pattern is very different outside the United States—where is it going?

It seems reasonable to suggest that as much as 75 per cent of Opec's investment portfolio is in the form of bank deposits, mostly short-term. This total could be somewhat above \$200,000m and of this at least a quarter is lodged with United States banks, either in their foreign branches or in America.

Put simply, Opec's investment managers are sophisticated, conservative, determined to keep their assets highly liquid and keen, over time, to reduce the percentage of their assets denominated in dollars. Despite the publicity that always surrounds deals like that at Financial General, the conclusion must be that Opec is not a significant direct investor in the United States.

Car traders lost in discount jungle



Salesman and cars in a Birmingham showroom: distress selling expected to continue for another two years.

The motor trade is in serious trouble and it is worse to come. Showrooms are overflowing with unsold stock of new and second-hand cars. Heavy discounting and gimmicky prizes, by dealers, backed by bonus incentives from manufacturers—all this means a bonanza for the car buyer but distress selling by the trade.

The chairman of one of Britain's biggest car retail groups describes the situation as chaotic. "I have been in the business for 30 years and this is the first time I have been able to offer immediate delivery on every single model we sell. At present it is impossible to maintain orderly marketing plans."

Mr. Trevor Taylor, managing director of BL Europe and Overseas, the group sales company, predicts that the discounts could last for another two years. "It's like a jungle out there with survival going only to those who are prepared to fight tooth and nail," he says.

The Motor Agents Association, which represents 85 per cent of garage dealers, says "distress trading" is in danger of becoming a way of life. Hundreds of member firms are being forced to resort to discounting and over-generous trade-ins to ward off cash flow crises.

"It does not take a financial wizard to work out the effects of this practice on the ratio of profit to turnover," the association says. "No less apparent is the vast bank of used vehicles building up at some 100,000 cars a month, which will be as difficult to shift as new cars when the market moves into decline later this year."

BL's Buy British campaign in February and March and the heavy factory subsidizing of cut price sales which accompanied it has been widely blamed for sparking off the present price war. BL denies this, pointing out that other manufacturers have been offering substantial incentive bonuses to their dealers for at least three months before BL's campaign.

"The difference was that our campaign attracted a lot of publicity, and the other manufacturers' did not," says a senior BL executive. "It was the success of our campaign, not the campaign or its timing," says a senior BL executive.

Whatever the cause, the effect of all this price cutting was to bring forward sales which would normally have been made later in the year. Last summer the industry's pundits had predicted that 1979's record sales would be followed by a drop. By Christmas it was generally agreed that at least 200,000 fewer cars would be sold this year—1.5 million compared with 1.7 million.

In the event, new car sales in the first quarter broke all records, at 517,194. BL's BL 125 cars, pushed its market share in March to 23.74 per cent compared with 16.75 per cent in February, cleared huge stocks of unsold cars and, in the words of Sir Michael Edwards, BL chairman, created a serious cash flow crisis.

But even as the manufacturers and dealers were congratulating themselves, they were battering down the hatchets for the consequences of this feverish activity. With half the year and forecast of 1.5 million cars already sold by the end of May, many of them at give-away prices, they had still to face another seven months with far too many cars chasing too few buyers.

was to bring forward sales which would normally have been made later in the year. Last summer the industry's pundits had predicted that 1979's record sales would be followed by a drop. By Christmas it was generally agreed that at least 200,000 fewer cars would be sold this year—1.5 million compared with 1.7 million.

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The sales director of a company holding a wide range of British and foreign franchises, sums up the problem: "It may seem that, with a market forecast of 1.5 million cars, we should not be talking about a severe recession. Something like 1.3 million would justify a decline in April compared with their 'voluntary' restraint limit of 10 per cent."

In a typically outspoken comment recently, he said: "I am determined that Britain will not be the soft underbelly of Europe as far as the Japanese car exporters are concerned. Italy and France both have severe restrictions on the number of cars they let in. The Japanese are tough. If in May the Japanese continue to exceed the 10 per cent voluntary restraint, I will be beating a path to the Chajit door. I cannot demand anything from the Government, but I can demand restraint from the Japanese motor industry. While BL is in a state of recovery."

Ford, for so long the market leader with 30 per cent of British sales, is better placed to withstand the present onslaught on margins. But after years of long waiting lists for most models, its much envied dealers are now trying to wrangle with mounting stockpiles of unsold cars. The dealers are being forced to offer more generous discounts than the once much sought Granada.

Ford plays its marketing cards close to its chest, but in the present battle it is difficult to keep anything from the sensitive grapevine on which the trade feeds. Discounts of 20 per cent on Granadas and smaller concessions on the Cortina are reported.

Cain concurs. The corporation has been talking to industry for some time about biotechnological projects, he told the science journal Nature, and is actively following up one involving crop plant development.

"We have been getting expert advice on genetic engineering and want to increase our exposure," he is aiming at growth plus balance. "I would like to see if we can push the scale of our activities up," he says, "while maintaining a reasonable balance between the public interest and the requirements to break even. Our profitability gives us more flexibility."

But the corporation is in the risk business, he emphasizes. "Inevitably, many projects will fail." With cephalosporin, as with other projects, Cain's style has been to acquire a detailed technical knowledge of the subject and to keep his finger on the pulse. He does delegate but, says a spokesman, "if he gets fed up to the hilt, he really does get down to detail. He is fairly astounding in that sense."

A family man with two sons (one at the Royal Institution, one an apprentice engineer with British Caldonian) and one daughter (at school studying for A levels), Dr. Cain enjoys gardening and likes to listen to classical music. He brings work home from the office, whether this will now include biomass processing in the garden remains to be seen.

bons and the planned 25,000 to 30,000 reduction in BL's labour force still to be implemented, it is tough and so.

It is not surprising that Sir Michael should be setting his teeth under the collar at Japanese imports, which took a record 22.9 per cent of the British market in April compared with their "voluntary" restraint limit of 10 per cent.

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Business Diary profile: Dr Cain, Mr Makinson and the NRDC

s than technology to remember, an arch Development agency report ence has been down cephalosporin is a biotics which has been the NRDC's revenue earner, exceeding £80m in that led to this discovery was discovered in Sardinia, development lead-duction of the arial was done at ersity and the search Council's ion at Cleveland, an assistance from like penicillin, was fully pro-DC patents and ments, hence the come.

r to "What fol-porin" may well e linked to the Who follows Bill Makinson retired anaging director today, he is Kingsgate House, et, London, by aged 57.

aging directors promoted from r than recruited and Cain is no e has been chief the corporation's d applied science d a board member ation since 1973.



Makinson (left) and Cain, his successor in the NRDC seat of decision.

equity funding or combinations of all three.

In its first 30 years, from 1949 to 1979, the corporation was approached with over 40,700 inventions, which came from public bodies (17,200), companies (4,600) and private individuals (18,800). The result was about 950 revenue earning inventions over the 30 years.

Joint ventures with industry are now running at about 50 new projects and 20 extended projects a year, with over 200 projects in hand at the end of last year.

When accused of neglecting the private inventor—last year 790 inventions were submitted to the corporation by individuals, of which only 16 were accepted—Lord Schon, NRDC chairman from 1969 to 1979, had a favourite reply. Nobody who had been turned down by the corporation, he said, had then gone elsewhere and back- ing had been successful. "We are still not aware of any," says Makinson, a trifle nervously.

Makinson joined the NRDC in 1965 as chief executive of the department of engineering, with the specific task of building up the joint venture side of the business. The venture capital side is important but its profitability is relatively low. It is a "strategic adjunct to the main business, the exploitation of... government funded invention."

During Makinson's six years as managing director, the corporation strengthened its

executive board, set up two sub- corporate software packages for engineering, formed the British Arabian Advisory Company, and fought unsuccessfully in the courts against alleged infringements of its carbon fibre patents based on work at the Royal Aircraft Establishment, Raynham.

The British Arabian enter- prise was mounted with the hope of applying the expertise of British government establishments to large infrastructure projects in Saudi Arabia. This has not happened.

"It has been associated with a lot of business," says Makinson, "but it has not been profitable."

Cain the biochemist was an appropriate person to take over from Makinson at a time when biotechnology is coming into fashion. The NRDC had a central role to play in developing and applying biotechnology, a recent government report con- firmed.

But the corporation was not as effective as it might be as a vehicle for exploiting academic inventiveness in biotechnology, the report said. The NRDC should play a more en- gaged role in the "explore and encourage" of in- novation in this area and in the flexible provision of funds for the development of projects beyond the first phase of basic research in a field where inven- tions are often not readily patentable.

Cain concurs. The corporation has been talking to industry for some time about biotechnological projects, he told the science journal Nature, and is actively following up one involving crop plant development.

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AMC

ANNOUNCEMENT TO BORROWERS

The Agricultural Mortgage Corporation Limited announces that with effect from 1st June, 1980, the rate of interest for

ALL EXISTING VARIABLE RATE LOANS

will be

1.9%

This rate will remain in force until the next review date which will be:

a) 1st SEPTEMBER, 1980, for borrowers whose loans are reviewable quarterly.

b) 1st DECEMBER, 1980, for borrowers whose loans are reviewable half-yearly.

Until further notice, the rate of interest applicable to new loans will be:

FIXED RATE reduced to 16 1/2%

VARIABLE RATE 1.9%

For full details of this and other facilities please contact

AMC, Ruckleybury House, 3 Queen Victoria Street, London EC4N 8DU. Tel. 01-236 5252.

FINANCIAL NEWS

Dundonian plans to float subsidiary

One of the biggest underground tin mines in the world may be developed in Cornwall if a share offering by South West Consolidated Minerals announced yesterday is successful. Future exploration costs will be shared with the American mining giant, Amstar.

The issue of 5.5m shares of 10p nominal at 50p each will raise £2.75m. SWCM currently has 18.5 million shares issued and is wholly owned by Dundonian. A public float has been made to the Stock Exchange to deal in the shares under Rule 163(3).

The potential mines are in the Callington and Gunnislake areas of mid-Cornwall. Redmore Mine and Blogsters Plantation in the first area.

More financial news — Page 25

could produce up to 600 tonnes of tin ore a day, making them among the biggest underground tin mines in the world.

Depending on the geological structure, a third mine in the Callington area, Hays South, could yield 2,000 tonnes of tin and silver ore a day.

Gunnislake contains six veins of tin and tungsten, and a potential mine has not yet been located. In common with the other areas, grades are around 1 per cent.

Because of its different geology, Hays South is to be developed by a joint venture between SWCM and Amstar. All costs will be borne by the American company, and if the mine goes ahead, Amstar will have the right to take a 50 per cent share.

Full development of these prospects could need £15m, with the first dividends being paid in about four years. Mr. Max Lewington, chairman of SWCM and Dundonian, said: "The issue does tend to highlight that the United Kingdom is quite rich in mineral resources. One could well see a revival of Cornish tin mining over the next five to 10 years."

Turriff engineering is optimistic

Mr Charles Turriff, chairman of the international engineering and contracting group which

bears his name tells shareholders in the annual report that the overall domestic order book is greater than this time last year, but there is under-capacity in the engineering and pipeline offshoots.

He says the group has maintained a strong cash position for investment "foreseeing a period of very uncertain and difficult economic and political conditions."

Mr Turriff says in general conditions are very competitive, but service, plant hire and property interests should do well this year.

Link House aims to join TV syndicate

Link House Publications, the Exchange & Mart magazine group which went public last autumn, is planning to become part of a syndicate to apply for the ITV franchise at present serving Westward Television.

The syndicate, West Country Television, is headed by Mr Simon Day, a local west country landowner and county councillor. The initial capital needed would be about £2m although the syndicate Link House has not given any details.

LHP, which reports a 41 per cent rise in half-time profit at £2.1m two months ago, said then that the industrial advertising spending which normally finds its way into its 24 glossy magazines was running lower than the previous year.

Sears still seeking American link

Mr Leonard Sainer, chairman of a shoe group to William Hill's betting group and Sears Holdings, has repeated the group's intention to make a substantial bid for a United States company.

In his annual report, Mr Sainer says Sears has not yet found a suitable business. Sears has been seeking such a business for two years. At that time it was talking in terms of a \$100m purchase.

Sears has such large United Kingdom interests, which last year reported an 86 per cent trading profit, that a major domestic bid could well attract a Monopolies Commission reference.

Significant batch of company reports

This week

from £13.2m to £17m, helped by another strong performance from the security division. This improvement should have continued in the second half with the developing countries' appetite for bank notes proving insatiable with the continuing rise in the price of oil.

Most City experts have pitched their estimates at between £35m and £37m for the

£5.5m last time, but some may now be having second thoughts. Although the retail sector did see some buying ahead of the VAT rises, which covered this period the flat Christmas and January sales are likely to have cancelled any advantage.

Cost increases, including higher wages, will also have gone a long way towards reducing last year's large stock supply. In the event, a further squeeze on margins is in the offing.

Prospects for the full year look little better with a reduc-

tion expected in the second half contribution. Therefore, most analysts expect full-year profits before tax of £10m against £9.2m last time.

creases amounting to about 26 per cent.

The remainder of the year is also envisaged as being tough with no real improvement until the building societies are able to reduce their interest rates in order to satisfy housing demand. Therefore the one plus point lies in the group's price-earnings which should result in a modest increase on profits overall.

TODAY — Interims: — Marley, Martin The Newsagent, and Old Carter. **Scoring Firms:** — Percy Bilton, Century Oils, Channel Tunnel, East Midlands Allied Press, Frank G. Gates, Govett European Ltd., Hallam Grp. of Nottingham and Marlborough Property Hldgs.

TOMORROW: — Interims: — MEPC and Thomas W. Ward. **Finals:** — Adams Bros. (Hosiery), De La Rue, Harrison and Crossfield, Parkland Textile, Reed Int'l, Scorros, Tanks Consolidated, Invest. and Transport Paper.

WEDNESDAY: — Interims: — Carls Milling Inds., Camford Engineering, Comer Radiovision, Albert Fisher, Griguard Exploration and Finance (2nd quarter), McCordquodale, Silfontein Gold Mining and West Rand Consolidated Mines. **Finals:** — Allied Leather Inds., Armistage Shanks, Buffelstone Gold Mining, Clydesdale (Transvaal) Collieries, Eva Inds., Mountview Estates, Oceana Development Invest., Securtrust, Standard Fireworks, Times Products and Trans-Natal Coal.

THURSDAY: — Interims: — British Petroleum (first quarter), Britannia Beard, Brooke Tool Engineering, Hickson and Welch, Morgan Crucible (first quarter), and Plassauna. **Finals:** — Anglo American Corp. of S.A., British and American Film, Cullens Stores, Culter, De La Rue, Leigh Interests, Regier-Hartley, Pysu, and Henry Wigfall.

FRIDAY: — Final: — Anglo Indian Corp., John Beales Assoc. Co's., Bishops Stores, Bobel Int'l, Fortnum and Mason, Francis Parker and Trefus.

Michael Clark



Sir Arthur Norman, chairman of De La Rue.



Mr Owen Aisher, chairman of Marley.

full year compared with £26m. If this proves to be the case it means profits will have quadrupled since 1976.

However, with Britain now entering a recession the growth story is likely to turn to one of consolidation in the current year. But with cash in hand of about £20m resulting in a very healthy balance sheet the market is unlikely to be perturbed. With only a small effect felt by the engineering dispute the group should be well placed to pay a total dividend of 28.5p compared with 16.2p.

The fears regarding the retail sector in recent months have led observers to take a more cautious approach to the interim figures from Comet Radiovision on Wednesday. The consensus had been for about £6.5m compared with

£5.5m last time, but some may now be having second thoughts. Although the retail sector did see some buying ahead of the VAT rises, which covered this period the flat Christmas and January sales are likely to have cancelled any advantage.

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Marks & Spencer

Extracts from the statement by the Chairman Lord Sieff of Brimpton, O.B.E., B.A.

Trading conditions changed greatly during the year. The increase in VAT from 8 per cent to 15 per cent; combined with unseasonable summer and autumn weather, reduced demand for clothing and the level of sales dropped sharply. Food sales remained buoyant. Family expenditure on mortgages, rates, lighting and heating, petrol and fares rose steeply; people had less money for spending in shops. Competition intensified as the volume of imported low priced clothing, some improved in quality, increased.

LOWER PRICES

In September we lowered prices of a number of major items of "St Michael" clothing and foods and held back price increases across a wide range of lines. We shared the cost with our manufacturers. Our quality standards were maintained.

BETTER VALUES

This New Lower Prices and Better Value Campaign increased sales and helped our manufacturers to maintain reasonable levels of production.

Since Christmas, inflation and

unemployment have accelerated. Our clothing sales, though better than last year, were below estimates. Food sales continued at a high level. We are meeting this challenge by concentrating a larger proportion of our range on more classic, easier-priced garments while maintaining our quality.

OVERSEAS

We developed exports to Japan and improved our sales to the Caribbean and South America.

We made some progress in the EEC and opened a store in Dublin. The success of our store in Boulevard Haussmann has encouraged us to seek further sites in France.

Marks & Spencer Canada Inc. made a profit of C\$3,300,000 in the financial year ended 31st January, 1980, against a loss of C\$1,250,000 in the previous year; the Marks & Spencer Division was not yet profitable.

EXPANSION

In the UK, we opened during the year 3 new stores and 9 extensions. During 1980, we shall open 3 new stores, in Harrow, Inverness and

Milton Keynes where we are not represented. Our building programme will cost about £300,000,000 in 4 years.

STAFF

I thank our staff for their loyal and hard work. Our continuing policy of good human relations and good communications with our staff at all levels is essential; its implementation is a never-ending task for management. This results in a high level of involvement, staff stability and productivity.

SOCIAL RESPONSIBILITY

In the year under review, we donated £860,000 to charities and incurred further indirect costs of £275,000. Our support was mainly in the fields of medicine, the arts, education, research and youth employment. We also seconded experienced staff to work on socially desirable schemes, particularly concerned with the regeneration of city centres and helping the young.

Sieff of Brimpton

Summary of Results

YEAR TO 31st MARCH 1980

	1980 2000	1979 2000	Increase %
SALES (excluding VAT and other Sales Taxes)			
UK Stores			
Clothing etc.	1,022,508	930,891	9.8
Foods	520,997	429,710	21.2
Direct Exports	26,285	25,483	3.1
Overseas Stores			
Europe	1,569,790	1,386,084	13.3
Canada	28,448	23,575	20.7
TOTAL GROUP SALES	1,667,905	1,472,954	13.2
PROFIT BEFORE PROFIT SHARING, TAX AND MINORITY INTERESTS			
UK	173,592	163,756	
Europe	1,861	1,126	
Canada	1,248	loss (633)	
	176,701	164,249	7.6
EMPLOYEES PROFIT SHARING	3,050	2,695	13.2
TAXATION	79,268	76,312	3.9
GROUP NET PROFIT	93,884	85,512	9.8
Dividends			
Ordinary Shares	44,258	33,904	30.5
per share (pence)	3.4p	2.61p	
EARNINGS			
per share (pence)	7.21p	6.58p	9.6

St Michael
OVER 90% BRITISH MADE

Last year, UK clothing imports accounted for 29% of all British sales. Over 90% of "St Michael" clothing was made in Britain. Whereas 60% of all sales of shirts in the UK were imported, 99% of "St Michael" woven shirts were made in Britain and "St Michael" shirts accounted for 30% of all British shirt production. We continue our policy of buying British and are concentrating on working with the most design-minded, technically advanced and productive of British manufacturers who can best achieve good quality and value — but some contraction of the UK textile industry is inevitable in today's economic conditions of reduced demand, surplus capacity and increasing imports.

In recent years, we developed production with a few outstanding overseas clothing manufacturers in high wage countries. They are innovative, have high quality and productivity and their goods are attractive to our customers. They stimulate us and our best UK manufacturers.

A copy of the full Annual Report can be obtained by writing to The Secretary, Room C133, Michael House, Baker Street, London W1A 1DN.

Briefly

Fothergill & Harvey: At the annual meeting, the chairman, Mr J. Fothergill, said: "The profit for the first four months of 1980 is on target and ahead of last year's figure. This good start to the year, coupled with the specialised nature of many of our products should help to insulate the company from the worst effects of the forecast recession."

Freemans (London, SW19): Trade in the early months of this year has been slow, but every bit as difficult as it was in the latter months of last year. Mr Anthony Rampton, chairman, told the annual meeting: "We are not at the moment meeting our sales targets."

Ernstos (Musselburgh): At the annual meeting held in Musselburgh, the chairman, Mr A. Wood, said: "Having previously reported a satisfactory increase in volume output for the first quarter, I am now pleased to tell you that the improvement over 1979 has continued throughout April and May and that June will be a good month, too."

Philip Hill, Investment Trust: Pretax revenue for year to March 31 rose from £6.78m to £8.49m. Total gross dividend raised from 6.52p (adjusted for scrip issue) to 7.55p and special non-recurring dividend of 0.54p gross also declared. Net asset value per ordinary share was 117.2p at year end (137.3p a year earlier).

Edward Jones Group: Turnover for 1979, £3.33m (£3.18m). Pretax loss, £23,000 (loss of £28,000 last year). No dividend (same).

Venezuela: Borrowing: Venezuela has opted to borrow £1.20m over seven years from a group of international banks led by Citicorp. Informal sources said in New York, by doing so, Venezuela has turned down an alternative offer by the banks of a \$1,800m, eight-year borrowing at 3 per cent over Libor. The borrowing, carrying a multi-currency rate spread over Libor of 1 per cent and 3 per cent, will largely consolidate smaller short-term borrowings made by Venezuela last year, the sources said.

British & Irish Steam Packet Co's: Strikes and stoppages were blamed by an Irish ferry company this week for upsetting its five-year profits record.

Industrial trouble cost the Dublin-based B & I Lines £2.3m (Irish) last year, Mr Michael O'Keefe, the chairman told the annual meeting the ferry, which operates across the Irish Sea, made a net loss of £1.14m compared with a profit of £1.35m in 1978.

Southdown Stadium: Greyhound race meetings in 1979 rose to 134 meetings (130 in 1978). Receipts, £53,000 (£54,000). Pretax profit, £145,000 (£144,000). Ordinary dividend, 0.61p (0.59p) gross.

Beard Chemie: International's chairman told the annual meeting that the company is well placed to continue its profitable expansion, but the board views the group's prospects for the first half of 1980 with some caution.

Bank Base Rates

Bank	Rate
ABN Bank	17%
Barclays Bank	17%
BCCI Bank	17%
Consolidated Crds	17%
C. Hoare & Co.	17%
Lloyds Bank	17%
London Mercantile	17%
Midland Bank	17%
Nat Westminster	17%
Rossminster	17%
TSE	17%
Williams and Glyn's	17%

Tenders must be lodged not later than 10.00 a.m. on Wednesday, 4th June at the Bank of England, New Issues, Watling Street, London, EC4A 3DF, not later than 3.30 p.m. on Tuesday, 3rd June 1980 at any of the Branches of the Bank of England or at the Glasgow Agency of the Bank of England. Tenders must be in sealed envelopes marked "Exchequer Tender".

ISSUE BY TENDER OF £1,000,000,000

13½ per cent.

EXCHEQUER STOCK

1994.

MINIMUM TENDER PRICE £36.00 PER CENT

PAYABLE AS FOLLOWS:

Deposit with tender £40.00 per cent
On Friday, 4th July 1980 £30.00 per cent
On Friday, 25th July 1980 Balance of purchase money

INTEREST PAYABLE HALF-YEARLY ON 27TH APRIL AND 27TH OCTOBER

This Stock is an investment falling within Part II of the First Schedule to the Investment Act 1961. Applications have been made to the General Stock Exchange for the Stock to be admitted to the Official List.

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND authorised to receive tenders for the above Stock.

The principal of and interest on the Stock will be a charge on the Loans Fund of the Bank of England, and the principal of and interest on the Stock will be repaid at par on 27th April 1994.

The Stock will be registered at the Bank of England or at the Bank of Ireland, Belfast, and will be transferable in multiples of one new £100 stock in writing in accordance with the Stock Transfer Act 1907. It will be free of stamp duty.

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A separate cheque representing a deposit of £40.00 per cent of the amount tendered for must accompany each tender; cheques must be drawn on the Bank of England or on the Bank of Ireland, Belfast, and must be payable to the order of the Bank of England or the Bank of Ireland, Belfast. Cheques must be in sealed envelopes marked "Exchequer Tender".

Tenders must be for a minimum of £100 Stock and for multiples of £100.

Amount of Stock tendered for Multiple £100 £500 £1,000 £5,000 £10,000 or greater

Mr. H. J. Nightingale & Co. Limited, 27/28 Lovat Lane, London EC3R 8EB, Telephone 01-621-1111. The price tendered must be a multiple of 1/100 of £100 Stock, being a multiple of 25p and not less than the minimum tender price of £36.00 per cent.

Amount of deposit enclosed, being £40.00 per cent of the nominal amount of Stock tendered for.

I hereby engage to pay the instalments as they shall become due and to maintain the Stock in the Official List of the Bank of England or the Bank of Ireland, Belfast, as provided by prospectus.

June 1980 SIGNATURE of Mr/Ms/Miss in full

PLEASE USE BLOCK LETTERS

MR/MRS MISS FORENAME(S) IN FULL SURNAME

FULL POSTAL ADDRESS

POST-TOWN COUNTY POSTCODE

STAMP OF LENDING AGENCY (IF ANY)

The price tendered must be a multiple of 1/100 of £100 Stock, being a multiple of 25p and not less than the minimum tender price of £36.00 per cent.

A separate cheque must accompany each tender; cheques must be drawn on the Bank of England or on the Bank of Ireland, Belfast, and must be payable to the order of the Bank of England or the Bank of Ireland, Belfast. Cheques must be in sealed envelopes marked "Exchequer Tender".

Tenders must be for a minimum of £100 Stock and for multiples of £100.

Amount of deposit enclosed, being £40.00 per cent of the nominal amount of Stock tendered for.

I hereby engage to pay the instalments as they shall become due and to maintain the Stock in the Official List of the Bank of England or the Bank of Ireland, Belfast, as provided by prospectus.

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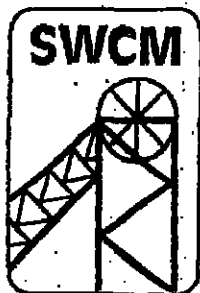
STAMP OF LENDING AGENCY (IF ANY)

as particulars have been prepared for the purpose of giving information to the public with regard to South West Consolidated Minerals Limited ("SWCM"). The Directors of SWCM and Dundonian Limited ("Dundonian") have taken reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein, whether of fact or of opinion.

There is no listing on any stock exchange for the shares of SWCM and application is not being made to any stock exchange for a listing for any part of SWCM's capital. Application will be made for the shares of SWCM to be dealt in on the Stock Exchange under the provisions of Rule 163(2). SWCM has entered into a Sponsorship Agreement with Rowe Rudd & Co. who will be applying for the admission of its shares to the Official List when able to meet the requirements for listing. Persons wishing to deal in the Ordinary shares of SWCM in accordance with Rule 163(2) should consult their stockbroker or other professional adviser in the normal manner. Copies of this Prospectus, having attached thereto the documents referred to herein, have been delivered to the Registrar of Companies for registration.

South West Consolidated Minerals Limited

(Incorporated in England under the Companies Acts 1948 to 1967 No. 1234982)



A COMPANY CARRYING OUT AN EXTENSIVE PROGRAMME OF MINERAL EXPLORATION IN CORNWALL WHICH MAY LEAD TO THE DEVELOPMENT OF MAJOR NEW MINES PRODUCING IN THE MAIN TIN, TUNGSTEN AND SILVER.

OFFER FOR SALE by ROWE RUDD & CO. of 5,500,000 Ordinary Shares of 10p each in SWCM fully paid, at 50p per share

The procedure for application and an Application Form are set out below.

The Application List for the Ordinary Shares now offered for sale will open at 10.00 a.m. on 5th June, 1980 and may be closed at any time thereafter.

Investment in a mineral exploration company such as SWCM is speculative. The section headed "Risk Factors" contained within this document should be carefully considered.

Authorised
£3,000,000 in 30,000,000 Ordinary Shares
of 10p each

Issued or to be issued fully paid
£2,400,000 in 24,000,000 Ordinary Shares
of 10p each

Indebtedness

does of business on 23rd May, 1980 apart from £440,549 owed to Dundonian. SWCM had outstanding no mortgages, charges, debentures or other loan capital or other borrowings or indebtedness in the nature of borrowings including overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits, hire purchase commitments, guarantees or other material contingent liabilities.

is a copy of a letter to Rowe Rudd & Co., from Mr. Max Lewinsohn, Chairman of South West Consolidated Minerals Limited:

30th May, 1980

Downs House,
Brighton Road,
Banstead,
Surrey SM7 1DE

With your Offer for Sale of Ordinary Shares in South West Consolidated Minerals Limited ("SWCM") I have pleasure in providing you with the following information:-

(formerly Nottvale Limited) was incorporated on 23rd November, 1975, and in February, 1976, was acquired by a mine and a large area of known tin mineralisation totalling some 1,000 acres in Cornwall. During March 1977 Dundonian Limited ("Dundonian") completed the acquisition of the entire issued share capital of SWCM, and subsequently in June 1977 obtained a small additional licence area (about 1 sq. km.) to explore and mine near Gunnislake from the principal area at Callington.

The objective has been to explore the area and, if justified, to promote the development of a new mining venture, thereby contributing to the revival of Cornish tin mining and economy through the development of the nation's mineral resources. Accordingly, in the 7th exploration programme was started under the supervision of Robertson Research International ("RRI"). Geological and Mining Consultants.

Interpretation and exploration results to date have been encouraging, and potential now lead to the development of three large new mines, producing in the main tin, tungsten and silver, before full scale production is started further drilling and feasibility work is necessary. Under development, metallurgical testwork and pilot plant operations.

of Dundonian considers that SWCM provides a good opportunity to participate in UK tin. Consequently, arrangements have been made to offer Dundonian shareholders and the public an opportunity to acquire a minority stake in SWCM's share capital. The raising of this way will enable SWCM to explore and complete feasibility work at two of the three areas, and will help SWCM to develop as an independent mining company. To explore the ability work as appropriate at the third area of prime interest, SWCM has concluded an agreement with Amex Exploration of U.K. Inc. ("Amex") under which Amex will bear the cost of exploration and development of its Cornish mining interests.

SWCM has an authorised share capital of 30,000,000 Ordinary Shares of 10p each of which 24,000,000 shares have been issued and are now being offered for sale at 50p each fully paid. As a result the total issued share capital is increased to 24,000,000 Ordinary Shares of 10p each, and Dundonian's interest will be 5 per cent. of the shares in issue. It is Dundonian's intention to retain this holding, and to support SWCM in the exploration and development of its Cornish mining interests.

Mining Licences

The extent of SWCM's licences is shown on Figures 1 and 2. The principal terms of the licences are as follows: SWCM to explore for a period of years on payment of a fixed annual fee, with the option to acquire the right to mine on payment of annual royalties based on production in excess of a small minimum annual fee which merges with royalties. Relevant details are as follows:

Approximate Area (Acres)	Exploration Period (years)	Exploration Licence Fee	Mining Period (years)	Annual Royalty on Net Smelter Return (%)
3,100	9 years to November 1983	£10,000 p.a.	42 years to November 2025	3.33
100	11 years to August 1985	£5,000 (single payment)	42 years to August 2027	3.33
80	4 years to June 1981	£750 p.a.	42 years to June 2023	3.33

At Gunnislake SWCM has experienced difficulty in renewing one licence and negotiating the full extent of the vein structures and the projected value of the area. Accordingly SWCM has taken action to protect its interests and applications with a view to obtaining additional licences under the Mines (Working Facilities and Sites) Act 1966 and 1974.

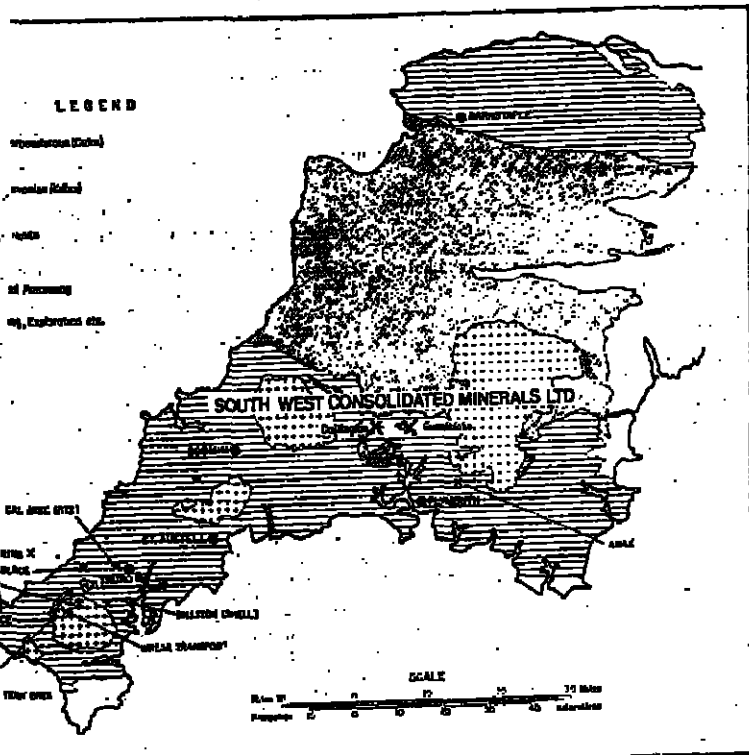


Figure 1: General Location Map

SWCM is considering the desirability of extending its mineral interests in the Callington area, and discussions are taking place with certain mineral owners which may lead to the grant of licences over adjoining land. There is some uncertainty as to the title of a small part of the mineral rights in the Callington area, but this is not likely to have any material effect on future operations. In addition SWCM owns approximately 12 acres of freehold land at Callington which may be required in connection with the future production and treatment of ore in the area.

Mining History

Tin has been mined in Cornwall since Roman times, but underground mining only started in medieval times when rich tin-bearing veins were found near the surface and worked from shallow pits. At the beginning of the eighteenth century mining for copper commenced, and activity reached a peak in the mid-nineteenth century when south-west England was the world centre of base metal production. During this period an important discovery was made of a tin zone beneath a copper zone at Dolebury mine, which subsequently resulted in it becoming Cornwall's deepest and richest tin mine. Similar discoveries were made elsewhere and Cornwall soon became internationally renowned for its deep lode tin mining.

Towards the end of the nineteenth century large deposits of copper and tin, capable of low cost extraction, were discovered abroad. Base metal prices fell and many Cornish mines were forced to close as they had insufficient capital to withstand losses. In the case of the mines in the Callington area this event occurred just when capital was most needed to deepen the shafts and improve the plant, to treat tin instead of copper as the zoning changed at depth in common with other Cornish mines.

An additional problem at these mines was the presence of tungsten intermixed with tin. In those days tungsten had no commercial value and was difficult to separate from tin, which often resulted in heavy penalties being incurred on the sale of mixed ore. Such veins were, therefore, never worked with enthusiasm and were if possible left in situ. These difficulties proved to be too great a burden for the mines in the Callington area and they were forced to close in the 1890's.

In recent years the strength of base metal prices, the general political uncertainties abroad, and the heavy infrastructure requirements in developing countries have combined to focus attention on south-west England again. Apart from the old well established operations, SWCM and a number of major mining groups, are now actively engaged in exploration in the area (Figure 1).

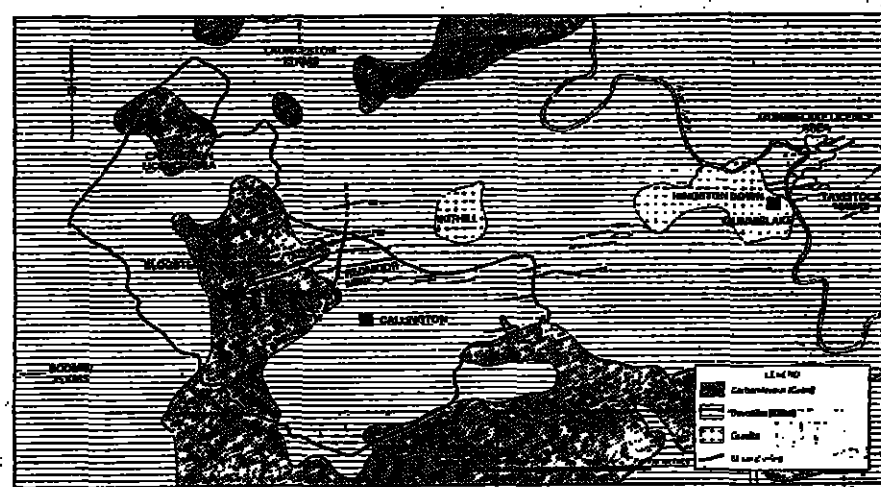


Figure 2: Licence Areas and Local Geology

Recent Exploration
Prior to RRI involvement SWCM's areas had been investigated by several parties, including the Non-Ferrous Mineral Control during the period 1935-1945. Mackay and Schnefmann Limited in 1963, Dr. C. H. James, ARSM, DSC, BSc, PhD, FIMM in 1965, and C. T. Sweet, ACSM, C. Eng, FIMM in 1967. Following the acquisition of the licences by SWCM a thorough assessment of the prospects was undertaken by RRI, and in the summer of 1977 an extensive programme of exploration was started under RRI supervision. There follows a copy of the Report from RRI, which covers the exploration programme and results to date.

Ty-y-Coed,
Llanrhio,
Gwynedd,
North Wales
LL30 1SA

30th May, 1980.

To: Rowe Rudd & Co., and
The Directors,
South West Consolidated Minerals Limited,
Gentlemen.

In accordance with your instructions we have prepared the report below on the programme of exploration carried out under our supervision since 1977 at the mining prospects of South West Consolidated Minerals Limited (SWCM) in south-west England (Figure 1).

Introduction

In 1977 Robertson Research International Limited (RRI) was requested to carry out a preliminary evaluation of the tin-tungsten potential of two mining prospects held by SWCM near Callington in Cornwall and Gunnislake in Devon, extending in area to approximately 13 sq. km. and 1 sq. km. respectively (Figure 2). Normally in south-west England mineral rights exist in small segregated holdings, historically difficult to amalgamate into worthwhile exploration and development areas. The existence of approximately 13 sq. km. at Callington already amalgamated into one area is a valuable factor in itself, particularly in view of the area's past mining history in the 19th and early 20th century.

Previous to our investigations the potential of the area had been emphasised by reports from several sources, the most important being the Non-Ferrous Mineral Control during the period 1935-1945. Wartime investigations, prompted by an accelerated demand for minerals, were active in the licence areas and were concentrated on proving reserves in and around old workings. Active mining operations may well have resumed had the urgent requirement for minerals not eased with the end of the War.

Following a review of the regional and local geology, old mining records and past reports, RRI outlined a series of exploration targets consisting of both previously known vein deposits, and a number of new prospects in the Callington area which had no previous history of mining. Postulation of these new lodes was based on geological deduction and the presence of strong tin anomalies which had been located during reconnaissance soil sampling in the mid-sixties. The orientation and geochemical characteristics of these anomalies suggested the existence of a series of tin bearing east-west veins hitherto undiscovered.

An exploration strategy was formulated to investigate the new prospects and to provide information on extensions of mineralisation around several known deposits. A phased approach was adopted in which low-cost exploration techniques were applied to a wide area, anomalies were highlighted and targets worthy of exploration by more refined, higher-cost methods were identified. Thus at Callington, the areas defined as anomalous in the mid-sixties by surface reconnaissance geochemistry were sampled down to bedrock by auger drilling, and where significant values were confirmed, deeper testing was carried out by percussion drilling to depths of 50m. Several of the targets identified by this approach have been further investigated by diamond drilling to depths of 150m. In addition, at Gunnislake a programme of mine rehabilitation followed by geological mapping, channel sampling and an underground diamond drilling programme has been completed.

Board of Directors

Max Robert Lewinsohn, F.C.A., A.T.I.L. (Chairman),
Downs House, Brighton Road, Banstead, Surrey.
Gerald Croeland Pangilly, M.B.E., A.C.S.M., C. Eng., F.I.M.M.,
(Managing Director),
"Reef Cor", 30 Fontham-Nance, Porthsea, Nr. Redruth, Cornwall
Donald George Neville, LL.B.,
De Tiliens, High Street, Limsfield, Surrey
Ronald William Potts, T.D., J.P.,
Methers, Tredethy, Bodmin, Cornwall
Richard Michael McNeil Williams, F.C.A.,
Hazelhurst Farm, Strood Green, Wisborough Green, Sussex.

Company Secretary and Registered Office

Malcolm Roger Smith, F.C.A.,
3 Katharine Street, Croydon CR0 1NX

Geological and Mining Consultants

Robertson Research International Limited,
Ty-y-Coed, Llanrhio, Llandudno, Gwynedd, North Wales LL30 1SA

Stockbrokers

Rowe Rudd & Co.,
63 London Wall, London EC2M 5UQ

Bankers

National Westminster Bank Limited,
41 Lombury, London EC2P 2BP

Receiving Bankers

The Royal Bank of Scotland Limited,
New Issues Department, 62 Lombard Street, London, EC3P 3DE

Solicitors

Nabarro Nathanson,
76 Jermyn Street, London SW1Y 6NR

Auditors and Reporting Accountants

Berke Cohen Fine & Partners, Chartered Accountants,
14 John Prince Street, London W1M 9HB

Registrars

The Royal Bank of Scotland Limited,
31 St. Andrew Square, Edinburgh EH2 2AB

AN APPLICATION FORM IS PRINTED AT THE END OF THIS PROSPECTUS. COPIES OF THE OFFER FOR SALE AND ADDITIONAL APPLICATION FORMS MAY BE OBTAINED FROM:

Rowe Rudd & Co.,
63 London Wall,
LONDON EC2M 5UQ.

National Westminster Bank
Limited,
St. Andrew's Cross,
PLYMOUTH PL4 0AE.

Dundonian Limited,
Downs House,
Brighton Road,
Banstead,
SURREY SM7 1DE.

The Royal Bank of Scotland
Limited,
New Issues Department,
62 Lombard Street,
LONDON EC3P 3DE.

The Royal Bank of Scotland
Limited,
Registrars Department,
31 St. Andrew Square,
EDINBURGH EH2 2AB.

South West Consolidated
Minerals Limited,
Ty-y-Coed,
Bodmin,
Cornwall PL30 4QS.

Exploration to date has produced encouraging results confirming the discovery of a series of undeveloped tin veins at Callington, in addition to the known lodes at Callington, and has confirmed a level of proven reserves at Gunnislake with every likelihood of both vertical and horizontal extensions present.

Geology and Mineralisation

South-west England is famed of three main rock groups, Devonian (killas), Carboniferous (culm), and granitic intrusions. Major granitic intrusions lie in a more or less easterly trending belt, from Lands End to Dartmoor. Evidence points to these isolated granitic bodies being one continuous body at depth connected by a series of buried granitic 'ridges', high points of which are represented by intermediately located smaller intrusions. Tin, tungsten and copper mineralisation, located in veins cutting through granite and killas, shows a close spatial relationship to the granitic intrusions.

The regional distribution of economic deposits of mineralisation shows a more specific relationship to high points within the overall granitic structures and to the buried intermediate ridges, where a greater intensity of fracturing within the surrounding rocks has enhanced vein development. The mineral licence areas lie approximately halfway between the Bodmin Moor and Dartmoor granites, adjacent to the Kit Hill and Hingston Down intrusions, and thus in an optimum site from a structural viewpoint for vein development. The presence of abundant mineralisation in the area is evident from the ubiquitous presence of old mine workings throughout the region which were established on accessible and easily identified vein structures.

Callington Area

By virtue of its size, the Callington area is best divided into three sub-regions for consideration. Exploration results to date suggest that each of these sub-regions could develop into major mining areas in their own right.

1 Redmoor Mine (Figure 3)

For much of the last century Redmoor was one of the centres of Cornish mining, supporting a number of independent mines producing copper, tin, lead and silver. Most production dwindled during the 1890's in the wake of low metal prices (following the discovery of large scale tin and copper deposits abroad), and the difficulty of separating out tungsten (of no commercial value in those days) which was intermixed with tin at depth.

The area contains at least fourteen east-west trending tin and copper veins which are intersected in the west by a major north-south crosscourse carrying lead and silver. Historical records show that veins were worked over an average strike length of some 500m, but to a depth of only 200m, which suggests that the mines were just reaching the principal tin zone at the time of their closure. In common with other areas in Cornwall, it seems that the vein structures consist of a copper zone near surface, passing down through a copper-tin zone to a tin-rich zone at depth.

Prior to RRI involvement a thorough assessment of past records and a programme of underground sampling was carried out by a Cornish mining engineer, Mr. C. Sweet, ACSM, C. Eng., FIMM. His work indicated that some 200,000 tonnes of tin and tungsten mineralisation remain in the vicinity of the old workings within 250m of the surface, with every likelihood of substantial additional tonnages of ore at greater depth. Average grades of 1.5 per cent. cassiterite plus 0.85 per cent. wolframite were calculated during this assessment.

In particular, there is the prospect of enriched mineralisation at a depth of about 300m where two of the major lodes in the area, Johnson's Lode and Great South Tin Lode, may intersect. These lodes, which are 1-2m and 3m in width respectively, run parallel in an east-west direction but dip beneath surface towards each other.

At Redmoor a strike length of 500m with multiple veins and economic grades within 200m of surface is known from past mining activity. Elsewhere in Cornwall tin has been mined successfully at depths of 1,000m. If deeper drilling here confirms the continuation of the lodes with similar grades of ore, the ultimate potential reserves could be several million tonnes.

2 Blogsters Plantation (Figure 3)

This area extends from the lead-silver crosscourse at Redmoor west to Blogsters and beyond, a distance of about 1,500m over a width of 400m. The target is the westerly extension of the group of lodes worked at Redmoor immediately to the east of the crosscourse. It is believed that the east-west tin lodes have been displaced by the crosscourse, and that to the west the lodes are down-thrown and displaced southwards.

To test this potential an extensive programme of auger sampling and percussion drilling has been carried out, and a limited programme of diamond drilling was recently completed. The percussion drilling generated 315 samples from 28 holes which were analysed for tin, tungsten, copper, lead, silver, zinc and arsenic. Having identified significant tin, silver and zinc mineralisation, seven diamond drillholes were completed at intervals along a strike length of 1,200m to test the structure up to depths of approximately 150m.

All of the diamond drillholes intersected mineralisation associated generally with elvan dykes which again trend in an east-west direction. In several of these, multiple zones of mineralisation were intersected with the best values obtained as follows:-

- 0.75 per cent. tin and almost an ounce of silver over a width of 2.55m.
- 1.42 per cent. tin, 2.13 per cent. zinc and more than an ounce of silver over a width of 1m.
- 0.32 per cent. tin, 7.9 per cent. zinc, 0.2 per cent. copper and almost an ounce of silver over a width of 1.2m.

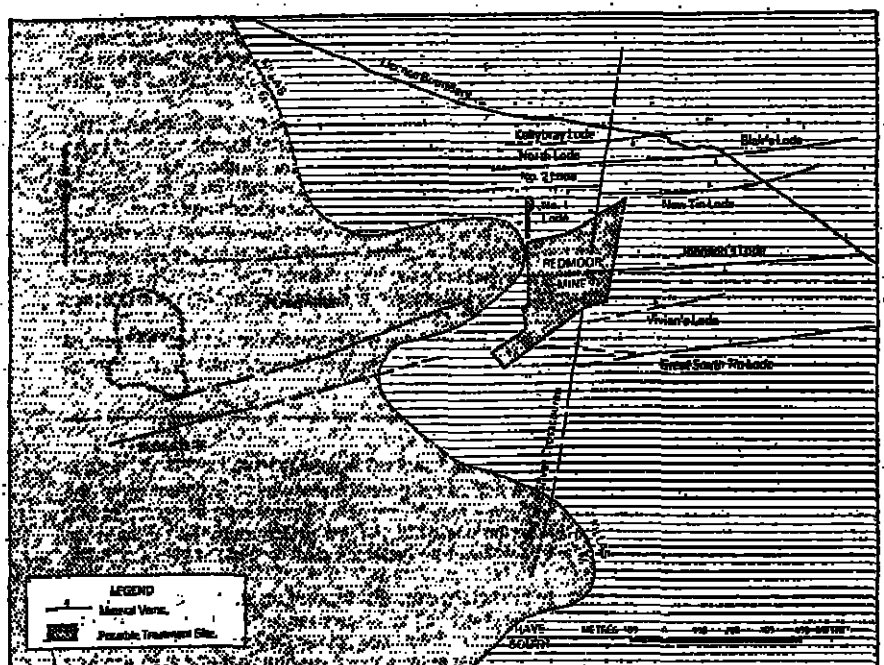


Figure 3: Redmoor Mine and Blogsters Plantation

FIGURE COMPILED AND DRAWN BY ROBERTSON RESEARCH INTERNATIONAL LIMITED

Exploration results have therefore confirmed the presence of a series of undeveloped tin-bearing structures associated with elvan dykes trending east-west throughout the area. There is every reason to believe that the mineralised structures persist in depth. In common with most Cornish lodes the grades of ore vary considerably, and further drilling will be required to predict the overall tin grade. However, the results to date are compatible with the view that a tin grade of 1 per cent. over a width of about 1m may be obtained, with high zinc, copper and silver values also present.

The mineralised structures have been identified over a strike length of 1,200m and to a depth of approximately 150m, which gives inferred reserves in the region of 2 million tonnes. If further drilling proves that the mineralisation persists at greater depths then the ultimate reserve potential could be very substantial indeed.

It should be noted that the Blogsters Plantation area contains two additional targets for future exploration:

- 1 The presence in the middle of this area of multiple veins at surface could indicate the existence of a granite ridge at depth, raising the possibility of the development of a stockwork vein system in the granite below. Such a system would imply greater volumes of mineralisation, large tonnages and efficient low cost extraction methods.
- 2 A further major north-south crosscourse which intersects the area to the west of Blogsters could contain lead and silver in a similar manner to the crosscourse at Redmoor. Such a lode could support a low tonnage high grade lead and silver mine.

3 Haye South (Figure 4)

This area lies approximately 1 km. to the south of Redmoor, on the projected extension of the lead-silver crosscourse. The target was an east-west group of tin-bearing lodes intersecting the crosscourse with resultant enriched mineralisation as was the case at Redmoor.

To test this potential a programme of auger sampling and percussion drilling was undertaken, followed by diamond drilling in key areas. The percussion drilling generated 87 samples from 8 holes which were analysed in particular for tin, lead, zinc and silver. Five diamond drillholes were completed with samples being taken for analysis at 2m intervals. Where high metal values were obtained, the core was split longitudinally and analysed in detail.

Exploration results from percussion drilling identified a strongly mineralised structure containing high tin and silver values over a strike length of about 250m. In this case, however, deeper diamond drilling indicated that the mineralisation did not follow the expected pattern of vertical east-west trending tin veins, and confirmed that the mineralisation remained richer closer to the surface. Subsequent discussions concerning this area have led to a re-appraisal of exploration results and a new geological interpretation has recently emerged.

It has recently been recognised that low angle thrusting is a feature of the contact between Devonian and Carboniferous rocks in south-west England. Such a sub-horizontal thrust plane would be a highly favourable location for mineralisation, and it is suggested that the mineralisation at Haye South could occupy a series of sub-horizontal fractures running parallel to the contact between the rock types. Careful re-examination of the percussion and diamond drilling results supported this theory with the comparatively high tin and silver values close to surface being correlated well between holes and reverses. The best drill hole encountered more than 0.5 per cent. tin and five ounces of silver over a 3m. intersection (Figure 4).

Mineralised structures of this nature could cover a large part of the Haye South area in view of the rock types present. Confirmation, by extensive drilling, of the sub-horizontal planes of tin and silver mineralisation could lead to the development of a major mine employing low cost extraction methods.

To date only 15 per cent. of the Callington Area has been explored. Whilst outstanding potential exists in the three sub-regions discussed above, there are further good prospects which warrant exploration in due course. These include Silver Valley, Silver Hill, Florence, Prince of Wales, Lady Ashburton and Combelawn.

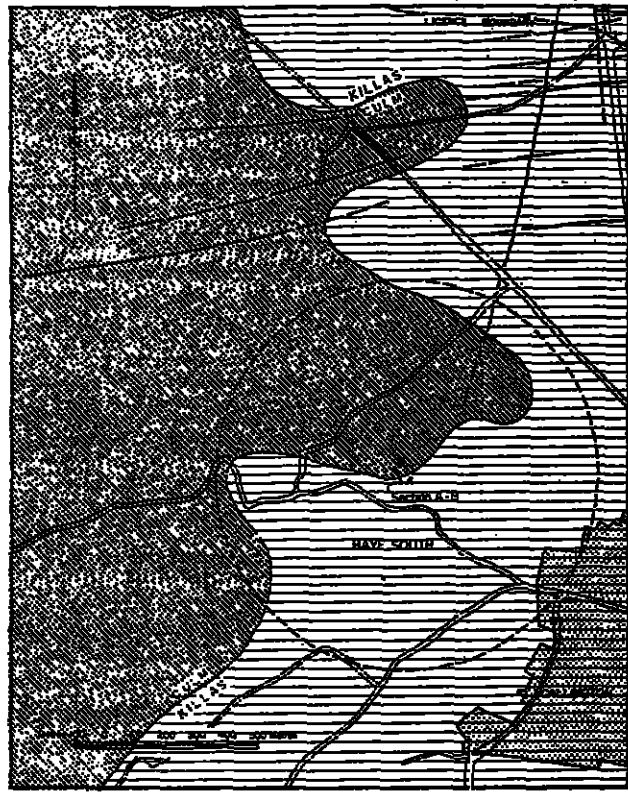


Figure 4. Haye South

FIGURE COMPILED AND DRAWN BY ROBERTSON RESEARCH INTERNATIONAL LIMITED

Gunnislake Area

The Gunnislake area contains at least six vein structures in which tin-tungsten mineralisation is known to exist at combined grades in excess of 1 per cent., and past work has established a modest level of reserves. These deposits show strong indications of extensions to the known body of mineralisation, in part capable of exploration by the continuation of presently accessible underground workings. All of the mineralised structures were investigated as far as surface and underground access would permit in the first instance. However, for reasons of cost-effectiveness it was decided to test the potential of the area by concentrating first on one lode, indicative of the size, with the objective of confirming stated reserves and indicating sufficient extensions to justify a modest mining operation.

To date the mine workings have been rehabilitated, and underground a programme of geological mapping, channel sampling and diamond drilling has been completed. This work has confirmed the level of indicated reserves in the immediate vicinity of the old workings at approximately 37,000 tonnes with a combined tin and tungsten grade of some 1.4 per cent., and inferred reserves of some 60-90,000 tonnes, possibly of a similar grade with extensions at depth most likely. In addition to the work underground, an extensive programme of auger and percussion drilling from surface has been completed. The results have shown that mineralisation extends at least 325 metres to the east of the limit of present mine workings. This mineralisation is probably contained within an easterly plunging ore-shoot typical of the region and its presently undetermined lateral extent at depth may be considerable.

Some preliminary mineral processing testwork showed that good recoveries are attainable using conventional gravity and froth flotation techniques. While concentrate grades were low in these preliminary test runs, the overall recovery of values and production of saleable concentrates of tin and tungsten from the Gunnislake area is expected to be achieved following further detailed testwork.

Conclusions

The south-west of England has a tradition of mining for tin and base metals, and in SWCM's area the grades of ore inferred from past work and recent sampling are in excess of 1 per cent. combined tin and tungsten. Grades in certain key areas are yet to be proven, but on present information it appears that production grades after dilution would be commercially viable. In addition, recent drilling has indicated that silver and zinc may well be important products of a successful mining venture.

By its nature and geology Cornish mining does not lend itself to the proving of large reserves in advance of operation. For reasons of cost, beyond a certain point, production tends to go hand-in-hand with exploration and development. However, exploration results to date suggest that inferred reserves are in excess of two million tonnes, with the potential for considerably greater tonnages, possibly in the multi-million tonne range, on proving the lateral and depth extensions of known lodes.

The Callington licence is unique by virtue of its size. To date only some 15 per cent. of the area has been explored, but three outstanding prospects have already been identified. Each one of these, Redmoor Mine, Blogsters Plantation and Haye South could develop into a major mine in its own right. Smaller prospects such as Silver Valley, Silver Hill, Gunnislake and others, could provide valuable additional ore for a mine which may be established at any one of the three larger opportunities above.

The interests of SWCM offer the opportunity for possible future development of tin, tungsten, zinc and silver mining operations in a stable political climate. This, together with the existence of an established infrastructure, is worth a great deal in economic terms when compared to the cost of new mine development in overseas tin producing countries such as Nigeria, Malaysia or Bolivia. In these countries the cost of establishing a new mine might well be three or four times more expensive than in south-west England for an equivalent sized operation. Furthermore, from an operating point of view, Cornwall has the great advantage of a skilled man-power resource and provides a working environment which is attractive to senior technical management.

Yours faithfully,

ROBERTSON RESEARCH INTERNATIONAL LIMITED

Geological & Mining Consultants

Development Plans

The objective of SWCM is to further explore, develop and bring into early production the several prospects identified by exploration to date. In planning future work it is possible to consider Redmoor Mine and Blogsters Plantation together because the latter area is on the westerly extension of the former, and development of the two together may prove to be feasible, working underground from Redmoor and surface towards the west. Haye South, however, requires separate consideration in view of the quite different sub-horizontal nature of the mineralised structure.

At Redmoor and to the west, a phased programme of diamond drilling to depths of approximately 400m. will be completed. The aim is to intersect the main lodes at depth to establish the width of lodes and grades of ore, with the object of proving the much larger potential reserves indicated by RRI. This will be followed, if results so justify, by full feasibility work which will include more underground development, metallurgical testing, and pilot plant operations to refine processing techniques.

At Haye South, an extensive programme of regional geology and rotary percussion drilling is planned to test the full lateral extent of the tin and silver mineralisation. Any further encouraging results will also lead to feasibility work, including further drilling to fully delineate the mineralised structure, metallurgical testwork to maximise recovery of the minerals present, and pilot plant operations in advance of full commercial production.

Other areas within the SWCM licences, as yet unexplored, will gradually be covered by regional reconnaissance, initially blanket soil geochemistry and geophysics will be interpreted in the light of mineral zoning in order to pinpoint further diamond drilling targets.

Potential Scale of Operations

The eventual scale of operations cannot be predicted until full feasibility work is well advanced in the licence areas. However, if further exploration proves the potential reserves at Redmoor Mine and Blogsters Plantation, it would indicate that each area may be capable of producing in excess of 800 tonnes of ore per day. Such an operation would be one of the largest underground tin mines in the world, providing the market with substantial quantities of tin metal per annum, plus tungsten, zinc and silver.

Similarly, it is not possible at this stage to predict the potential scale of operations at Haye South. However, if the lateral extent of the sub-horizontal structure persists over an area of 1 km. at about 8 per cent. of the licence area with an average width of 5m, then extraction at the rate of 2,000 tonnes per day may be feasible. Depending on grades a large tonnage low cost mine of this nature could also be a major tin and silver producer.

It is clear that the development of one or more major new mines would provide a considerable boost to local employment with the creation of several hundred new jobs. In addition, production on this scale would result in substantial benefits to the U.K. economy and provide a significant proportion of the annual tin requirements of British industry.

Financial Considerations

As a result of the Offer for Sale, SWCM considers that it will have sufficient capital to carry out further exploration and feasibility work as appropriate in its licence areas, including the main prospects at Redmoor Mine and Blogsters Plantation but excluding Haye South. Based on the scale of operations contemplated this may cost in the region of £3 million.

To finance the exploration and development of Haye South, which may itself amount to £3 million or more, SWCM has concluded a joint venture arrangement with Amax under which Amax will bear all exploration and feasibility costs in return for a 50 per cent. interest in the Haye South prospect. More details of this agreement are given in the next section.

To encourage mineral exploration the Government has established a scheme of financial assistance for approved projects. It is relevant that to date SWCM's exploration programme has been approved for grant purposes under the Mineral Exploration and Investment Grants Act 1972. This enables SWCM to claim 35 per cent. of qualifying expenditure, and it is the intention to continue working under the auspices of this scheme. Subject to certain conditions, grants are generally written off if an exploration project proves abortive, but are repaid over a period of years out of future revenue if a project proves successful.

SWCM estimates that it requires approximately £2 million over the next two years to carry out the planned programme of exploration and development in its licence areas. Feasibility work at Redmoor Mine, Blogsters Plantation and Haye South is estimated to take between two and three years to complete, and thereafter additional capital of £12-15 million may be required to commence production on a commercial scale. At that time SWCM may endeavour to finance such costs by a combination of issuing further share capital and raising term finance from external sources, including possibly U.K. Government or E.E.C. assisted loans. SWCM does not expect to earn significant income from its mining interests until full scale commercial production starts.

Joint Venture Arrangements

SWCM and Amax have agreed to explore, and if appropriate to mine, the Haye South prospect jointly. Several phases of intensive exploration leading to full feasibility are planned, the costs of which will be borne entirely by Amax. In return Amax will earn the right to a 50 per cent. interest in Haye South and the project will be managed with equal representation from both parties. Amax has the right to withdraw prior to the completion of full feasibility work, in which case 100 per cent. of Haye South reverts without cost to SWCM.

Once a decision is taken following feasibility to go into full scale production both parties will contribute equally to meet the capital costs. However, SWCM has the option to require Amax to meet all capital costs, and in these circumstances SWCM's interest in Haye South would be progressively diluted but it cannot fall below a 15 per cent. carried interest in the project. Provision is also made for the mine to be managed under a joint operating agreement, the terms of which would be finalised by the parties at the appropriate time.

Future Prospects

Tin, tungsten and zinc are base metals which are vital to modern industry. Silver is a precious metal widely used in jewellery apart from its industrial applications. The continuing demand for these metals provides SWCM with a ready market for all its potential output. In the immediate future, therefore, SWCM intends to concentrate on bringing the areas into early production.

SWCM plans to develop as an independent mineral resources company, and will from time to time consider other opportunities should the terms and prospects appear attractive. At present RRI are investigating a number of other areas for SWCM which are mainly in Wales and south-west England and which were actively mined for gold many years ago. The aim is to establish whether any of these areas may be commercially viable in the light of the prevailing gold price. SWCM has no rights in these areas at present, but if encouraging results are obtained it will endeavour to negotiate suitable licences with the Crown.

Proceeds of the Offer for Sale

The proceeds of the issue will amount to £2,750,000 out of which the expenses of the issue totalling approximately £230,000 will be paid. Further amounts from the proceeds will be applied to meet exploration and development expenditure in the Callington and Gunnislake areas over the next two to three years. Funds not immediately committed to the exploration programme will be invested for the benefit of SWCM to increase the total resources available for future exploration and development.

Directors and Management

Max Robert Lewinson, FCA, ATIL, aged 33 is the Chairman of SWCM. He is a Chartered Accountant and Principal of The Maximilian Partnership, Chartered Accountants. He was appointed Chairman in 1977, and is also Chairman of Dundonian, the parent company of SWCM. He is a member of the Cornish Chamber of Mines and has been involved in Cornish mining since 1974.

Gerald Grosland Penfold, MBE, ACSM, C.Eng, FIMM, aged 55, is Managing Director of SWCM. He is a Mining Engineer and the former Managing Director of South Crofty Limited, for whom he worked from 1963 to 1979 running the South Crofty and Pendennis tin mines in Cornwall. He joined the Board of SWCM at the beginning of 1980, and is a former Chairman of the Cornish Chamber of Mines. He is also a Governor of the Camborne School of Mines.

Donald George Neville, LL.B, aged 49, is the Director responsible for legal affairs. He is a Solicitor and a partner in Messrs. Cardale, Solicitors. Formerly a Director of International Systems Research Limited, a management consultancy company, he joined the Board in 1978 and is also a Director of Dundonian.

Ronald William Potts, TD, JP, aged 52, is an Executive Director of SWCM. He is a retired Lt-Colonel, serving with the Duke of Cornwall's Light Infantry (TA). He joined the Board in 1977 and is a member of the Council of the Cornish Chamber of Mines. He has been actively involved in Cornish mineral exploration since 1970, both as a director and a consultant to several exploration projects.

Richard Michael McNeil Williams, FCA aged 35, is the Director responsible for financial affairs. He is a Chartered Accountant and partner in Messrs. Benches, Chartered Accountants. He joined the Board in 1979 and is also a Director of Dundonian.

Geological and Mining Consultants

RRI is one of the largest firms of geological and mining consultants with offices in the U.K., Australia, Canada, U.S.A., Singapore and Indonesia. It has considerable experience of tin and tungsten mining in most major producing countries and has undertaken a number of specific assignments in south-west England.

The members of the professional team which has been working on SWCM's exploration programme are as follows:

Name	Qualifications	Profession	Position
Dr. H. N. Bishop	BSc, PhD, FIMM, MAIMM	Geologist	Director of RRI-Minerals
J. L. Gaskell	BSc, MIMM	Geologist	Head of Mineral Assessment Unit
P. S. Bridges	BSc, MSc, D.C. MIMM	Geologist	Senior Geologist
J. Emberton	BSc, FGS, MIMM	Geologist	Senior Geologist
E. Dams	BSc, MIMM, MAIMM	Geologist	Senior Mining Engineer
D. Jordan	BSc, MIMM	Mineral Processing Engineer	Head of Mineral Process Studies Unit

Risk Factors

Investment in mineral exploration is speculative. The exploration and development of mineral resources requires substantial investment. Such investment involves a degree of risk and results cannot be predicted. The factors to be taken into account include the following:

- (a) The nature and geology of Cornish mining preclude the proving of substantial reserves in advance of operation.
- (b) Although inferred reserves are stated to exceed two million tonnes in the Callington and Gunnislake areas the ore may prove not to be economically recoverable because of factors which cannot be foreseen until further work is completed.
- (c) The unexplored parts of the Callington area may after investigation prove not to contain any economically recoverable reserves.
- (d) As a small mining company SWCM may be unable to finance the development of a major mine. In this event, SWCM may be forced to part with a proportion of its beneficial interest to achieve full commercial production.
- (e) The market prices of tin, tungsten, zinc and silver are volatile (Figure 5). Apart from industrial supply and demand, many external factors which cannot be foreseen may have an impact on the market price of these minerals.
- (f) Planning permission to mine in the main areas would be required. Much of the licence area is zoned for mineral development but permission to mine cannot be obtained in advance. Planning permission to explore the main areas has been granted and subsequently extended.

Accounts and Dividends

There is set out in Appendix 1 a copy of the Report by the Auditors and Reporting Accountants showing the financial results of SWCM for the four years ended on 31st March 1980, and a Pro Forma Balance Sheet prepared on the basis that the new shares have been taken up under the Offer for Sale. The accounts indicate that a little revenue has been earned from the processing of minerals. This pattern is likely to continue whilst exploration and development takes place.

No dividends have been paid by SWCM since the date of its incorporation. SWCM's policy with regard to the distribution of future profits will be determined in the light of circumstances once a profitable mining venture has been established.

Premises

SWCM shares office accommodation with its parent company Dundonian at Downs House, Brighton Road, Banstead, Surrey which comprises a 4,000 sq. ft. self contained office building. SWCM also has a local office at Tredey, Bodmin, Cornwall, which is shared with the Tredey Estate as part of the service agreement with Mr. R. W. Potts. As exploration progresses, however, SWCM plans to establish offices on site in the Callington area.

MAX LEWISON, Chairman

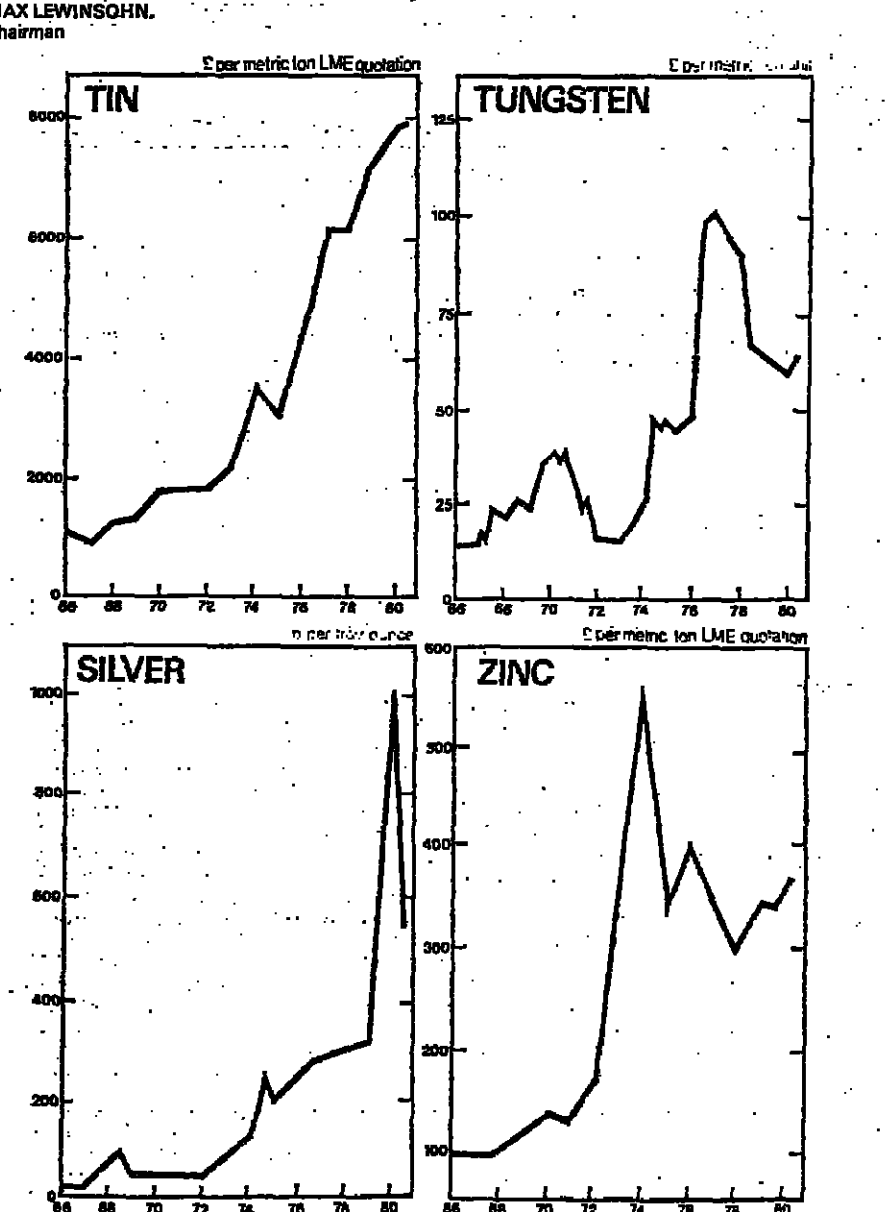


Figure 5. Metal Price Movements

Accountants' Report

The following is a copy of the Report from Birks, Cohen, Fine and Partners, Chartered Accountants:

14 John Prince Street, London W1M 9HS, 30th May 1980.

To: Rowe Rudd & Co., and The Directors, South West Consolidated Minerals Limited.

Gentlemen,

We have examined the accounts of South West Consolidated Minerals Limited (SWCM) for the period from 1st April 1979 to 31st March 1980 which we audited and which were prepared under the historical cost convention. The summarised Profit and Loss Accounts, Balance Sheets and Statements of Source and Application of Funds set out below are based on the audited accounts. No adjustments thereto are considered appropriate. In our opinion the summaries and the notes thereto give a true and fair view of the financial position, a true and fair view of the state of affairs of SWCM at the date stated.

- 1 The state of affairs of SWCM at the date stated.
- 2 The profits of SWCM attributable to the shareholders for the periods stated.
- 3 The source and application of funds of SWCM for the periods stated.
- 4 The Pro Forma Balance Sheet of SWCM following completion of the Offer for Sale.

Balance Sheets

Note	1977	1978	1979	1980
Fixed Assets:				
Current Assets:	66,833	284,156	1,425,870	3,773,561
Debtors:	35	16,988	108,007	65,019
Cash at Bank:	—	—	—	14,427
	66,868	301,144	1,534,877	3,853,007
Current Liabilities:				
Creditors:	5,781	3,032	1,213	7,811
Bank Overdraft:	19,791	403	2,827	—
	25,572	3,435	3,740	7,811
Net Assets:	43,296	297,719	1,531,137	3,845,196
Share Capital:	3	20,000	165,000	165,000
Reserves:	4	4,802	5,064	1,065,977
Holding Company:	5	18,684	272,865	204,564
Mineral Exploration Grants:	6	—	65,986	132,431
	43,296	297,719	1,531,137	3,845,196

Profit and Loss Accounts

Note	1977	1978	1979	1980
Sales:	1a	75,076	13,300	15,167
Cost of Sales:	7	75,076	13,300	15,167
Profit before Taxation:	8	4,602	462	742
Taxation:	—	—	—	2,217
Profit after Taxation:	—	4,602	462	742
Balance brought forward:	—	4,602	462	5,064
	—	4,602	462	5,064

Statement of Source and Application of Funds

Note	1977	1978	1979	1980
Source of Funds:				
Profit after Taxation:	4,602	462	742	2,217
Capitalisation Issues:	20,000	—	300,000	—
Mineral Exploration Grants:	18,684	253,961	65,986	35,835
Holding Company:	43,296	254,423	328,247	275,037
Application of Funds:				
Additions to Fixed Assets:	66,833	215,323	233,543	278,569
Capital Costs:	—	—	3,000	30,000
	66,833	215,323	236,543	308,569
Increase (Decrease) in Working Capital:	(25,537)	39,100	91,704	(33,632)
Arising from Movements in:				
Debtors:	35	16,988	92,009	(43,888)
Creditors:	(4,781)	3,740	1,213	(6,598)
Bank Balances:	(19,791)	18,358	(2,124)	16,984
	(25,537)	39,100	91,704	(33,632)

Pro Forma Balance Sheet (Note 1)

	£	£
Fixed Assets:	—	3,773,561
Current Assets:	2,589,446	2,581,635
Current Liabilities:	7,811	—
Net Assets:	2,581,635	3,845,196
Share Capital:	—	165,000
Reserves:	—	3,382,216
Holding Company:	—	440,549
Mineral Exploration Grants:	—	132,431
	—	3,845,196

NOTES

1 Accounting Policies of SWCM

The principal accounting policies which have been applied consistently in arriving at the financial information set out in this report are:

- a Sales—Sales represent the invoiced amounts of mineral sales to third parties excluding value added tax.
- b Depreciation—Depreciation is calculated to write off the cost of the assets on the following cost basis: Mining Licences and Development Costs None; Plant and Equipment Primarily 12.5% reducing; Deferred Taxation—No provision has been made for deferred taxation as no liability is expected to arise in the foreseeable future. The liability which would arise if the fixed assets were disposed of at the amount stated in the accounts is £1,027,664.

2 Fixed Assets

Mining Licences and Development Costs:	£
At Cost:	788,363
Surplus arising on valuation:	2,977,193
Net Book Value at 31st March, 1980:	3,773,561

The valuation by the Directors in April 1979 was based upon the report of Robertson Research International Limited, Geological and Mining Consultants dated September 1978, having regard to the mineral reserves pro and inferred and taking account of the likely costs of extraction.

3 Share Capital

At 31st March, 1980 the authorised, issued and fully paid share capital of SWCM was:	£
Authorised—5,000,000 Ordinary Shares of 10p each:	500,000
Issued and fully paid—1,650,000 Ordinary Shares of 10p each:	165,000

4 Reserves

	31st March, 1980
Capital Reserves:	
Surplus arising on valuation:	2,977,193
Capitalisation Issues and Costs:	(353,000)
	2,624,193
Share Premium Account:	475,000
Revenue Reserves:	8,000
	3,107,216

5 Holding Company

The ultimate holding company during the period of this report was Dundonian Limited, incorporated in Scotland. The current account is interest free and repayable on demand.

6 Mineral Exploration Grants

Mineral Exploration Grants represent the total amount claimable in accordance with the Mineral Exploration and Investment Grants Act 1972 in respect of expenditure incurred to 31st March, 1980. Such Grants may be repayable if exploration is successful.

7 Profit and Loss Accounts

	1977	1978	1979	1980
Cost of Sales includes:				
Bank interest payable:	445	3	—	—
Plant hire:	7,169	129	206	47

8 Taxation

SWCM has not incurred a taxation charge due to the availability of capital allowances arising from development costs.

No dividends were paid to shareholders in the relevant accounting periods.

No accounts for submission to members have been prepared subsequent to 31st March, 1980.

AL NEWS

he 'insider' becomes illegal

Markets

that he was locked in takeover

It is not the intention of the

Act to make him an insider

if he is confident that the person

who receives the information

will not deal on it.

But the grey area comes with

those who are perhaps in possession

of one piece of information

from the company and

identify accurately some future

course of events.

It is unlikely that the

company chairman in the shoe

business, known to be looking for

a takeover, would be thought to

be passing on "insider" information

if he accidentally drops

his first-class train ticket to

Northampton, which is seen by

an astute investor who puts two

and two together, gambles on a

certain Northampton company

being the chairman's bid victim

and deals.

The crucial issue would

appear to be whether information

comes from the company

or not. And if it does, whether

any person within the company

or its advisers passed on information

knowing that it would

be used as a basis for dealing.

For the directors and their

families, the rules are fairly

precise. What is still unclear

is the position of brokers' and

jobbers' analysts. It is their job

to elicit as much information

from a company as possible.

One to advise the jobber, the

other for his brokers to advise

investment clients.

The Act mentions the jobber

specifically. The new rules say

he can deal on information

which he would normally get

in his job, but that it

would be reasonable to expect

him to obtain in the ordinary

course of that business.

But is the gathering of confidential

information by his

analysts classified as "insider"

information? It is, so, is the

"insider" allowing it to

influence him, making a price?

Similarly it is thought that

under the Act a broker would

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client why he was buying a

certain stock and received a

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piece of price sensitive" information

in a reply.



Violent share price movements... to the suspicions, the first sign of an "insider" deal.

If that is the case, why hold

the question? It might well be that

directors could find themselves

passing on inside information

to people whose job it is to

deal on that knowledge for the

benefit of their pension funds

and insurance companies.

Inside information is what

everyone involved in business

is constantly searching for

anyway.

Financial journalists, it

would seem, are only affected

if they intend to profit personally

from information gathered.

Providing what might go for

"price sensitive" information

is published for all to know,

there appears little new restriction

on the questions which a

company chairman would

reasonably be expected to

answer... all be it that from

the end of June, directors

could be much more reticent

to go outside any formal

announcement.

It is not the intention of the

Act to restrict all information.

Philip Robinson

New chief executive at British Steel

Mr John Doulton has been

appointed to succeed Mr P. G. Naylor

as chief executive, British Steel

Corporation (Industry).

Mr G. A. Gilheeny, at present on

secondment to The Joint Credit

Card Company as director and

chief executive, is returning to

Midland Bank as a general

manager, leaving Mr Gilheeny

to assume the duties in the

corporate finance division of

Mr A. R. Holmes, who is due to

retire late in the year.

Mr J. Baker, Mr J. C. Callow

and Mr M. R. Cole have become

directors of Hartley Cooper.

Mr M. J. Hunt has been appointed

director of Hartley Cooper

United Kingdom. A new

subsidiary, Hartley Cooper

Technical Services has been formed.

The directors are Mr J. E. Lewis

chairman; Mr J. F. Barnett;

Mr R. J. Bassett; Mr M. C. E. Haynes

and Mr N. W. Lamborne.

Mr E. W. Cook becomes an

additional director of Arbutnot

Latham Holdings.

Mr P. E. Cooper has been

made chairman of Spinnings 1948

to replace Mr A. M. French who

is retiring after 24 years service.

Mr Robert F. Corroon and Mr

Crawford A. Black have been

named as non-executive directors

of Minst Holdings. Mr Peter S.

Jewell becomes a director.

Mr Martin Morgan has been

appointed a publishing director

of IPC Transport Press.

Mr Derek L. W. Holloway is

now a director of BSA Metal

Powders.

Mr Brian Boucher, has been

appointed from sales director of

COMAG to deputy managing

director. Mr Roger Medley

becomes financial director and

company secretary. Mr W. S.

Johnson, previously director of

COB and company secretary, is

now joint deputy chairman.

Mr R. W. Turner joins the

board of D. S. Turner & Co.

Mr James Long is to succeed

Mr Russell as chairman of

Diamond Shamrock Europe.

Mr G. J. MacGillivray has been

appointed a director of the

Antagata (Chili) & Bolivia Railway

Company.

Service industries and banks attract recommendations

Despite the growing tide of

gloomy economic news and the

parlous condition of the stock

market, the brokerage community,

which after all makes its money

when people are buying and

selling shares is still finding

companies to recommend.

Service industries have some

obvious advantages over manu-

facturers in times of recession,

and the clearing banks, which

are still benefiting from the

record level of interest rates,

attract a number of broker's

recommendations.

Grieverson Grant believe that

prospects for the clearing banks

are underrated, despite the

poor economic outlook. Profits

are bound to suffer, but Grieverson

Grant expect the present

dividend levels to be raised by

between 10 per cent and 20 per

cent this year with further

increases in 1981.

On the current undemanding

ratings, says Grieverson, this

makes the sector attractive.

They singled out Lloyds and

Midland as two which should

perform relatively well, particularly

they add ominously, if the

recession deepens.

Carr, Sebag, in their monthly

reports, agree that the

London clearing banks are

fundamentally cheap. "The

sector", says Carr, Sebag, "is

discounting the effects of lower

interest rates", but they warn

that the process of re-rating is

likely to be protracted. Of the

London clearers they favour

National Westminster and

Lloyds.

Of the Scottish clearing

banks, Carr, Sebag, find the

Royal Bank is reasonably

attractive within the sector.

Assuming base rate is not cut

before September, Royal is

forecast to make £11.5m

before tax in 1979-80 and Carr,

Sebag reckon the year's

dividend will be increased by

More activity in the tanker trade

Apart from the Soviet in-

To Taiwan \$44.50 cents was obtained for a 27,000 ton spot booking from the Gulf and a 25,000 tonner to China realized \$34.75 cents.

David Robinson

Pemex has floated several note and bond issues over the years but the secondary market for its paper has never functioned well.

Initially, Pemex will float \$75m of eight-year notes at a price and coupon yet to be fixed. Thereafter, another \$50m of the same notes will be tapped out into the market according to demand.

... But Malaysia's pivotal position in the natural rubber market, to some extent strengthened by the smallholders' success and the poli-

In fact, although estates still control some 1.3m acres, their share of production is slowly

Moreover, from the point of view, rubber the few crops which in the morning and seed in the afternoon, or prefers, he can stock

Commodities Correspondent

Eurobond prices (yields and premiums)			
	Offer	Reprint	Offer
	price	yield	price
US \$ STRAIGHTS			
ECF R 1983	96	10.73	
ECF R 1984	96	10.73	
ECF R 1985	96	10.73	
ECF R 1986	96	10.73	
ECF R 1987	96	10.73	
ECF R 1988	96	10.73	
ECF R 1989	96	10.73	
ECF R 1990	96	10.73	
ECF R 1991	96	10.73	
ECF R 1992	96	10.73	
ECF R 1993	96	10.73	
ECF R 1994	96	10.73	
ECF R 1995	96	10.73	
ECF R 1996	96	10.73	
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ECF R 2021	96	10.73	
ECF R 2022	96	10.73	
ECF R 2023	96	10.73	
ECF R 2024	96	10.73	
ECF R 2025	96	10.73	
ECF R 2026	96	10.73	
ECF R 2027	96	10.73	
ECF R 2028	96	10.73	
ECF R 2029	96	10.73	
ECF R 2030	96	10.73	
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ECF R 2035	96	10.73	
ECF R 2036	96	10.73	
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ECF R 2058	96	10.73	
ECF R 2059	96	10.73	
ECF R 2060	96	10.73	
ECF R 2061	96	10.73	
ECF R 2062	96	10.73	
ECF R 2063	96	10.73	
ECF R 2064	96	10.73	
ECF R 2065	96	10.73	
ECF R 2066	96	10.73	
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ECF R 2292	96	10.73	
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ECF R 2300	96	10.73	
ECF R 2301	96	10.73	
ECF R 2302	96	10.73	
ECF R 2303	96	10.73	
ECF R 2304	96	10.73	
ECF R 2305	96	10.73	
ECF R 2306</			

Account	Current	Preceding Period	Account	Current	Preceding Period	Account	Current	Preceding Period
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[illegible]

Figure 1. A schematic diagram of the experimental setup. The subject is seated in a chair, viewing a video screen. The screen displays a target (a small circle) and a starting point (a larger circle). The subject's hand is positioned at the starting point. The distance between the starting point and the target is labeled as d . The subject is instructed to move their hand from the starting point to the target. The video screen is connected to a computer system, which records the hand's position and movement time.

Stock	Price	Chgs	Int	Gross	Div	Yield	Capitalization	Company	Price	Chgs	Int	Gross	Div	Yield	Capitalization	Company	Price	Chgs	Int	Gross	Div	Yield	Capitalization	Company	Price	Chgs	Int	Gross	Div	Yield	Capitalization	Company	Price	Chgs	Int	Gross	Div	Yield
FUNDS																																						
13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00
COMMERCIAL AND INDUSTRIAL																																						
13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00
F - H																																						
13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00
O - S																																						
13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00
INSURANCE																																						
13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00
INVESTMENT TRUSTS																																						
13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00
RUBBER																																						
13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00
TEA																																						
13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00
MISCELLANEOUS																																						
13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00	100.00	13/10/1980	100.00	0.00	0.00	0.00	0.00	0.00

RADIO

TELEVISION

Border
As Times except: 1:20-3:30 am News.
6:00-7:00 Round, 2:30-4:15 PM
Checkpoint (Stanley Rife), 6:15-6:45
6:15 Country Music Jambores, 8:30-
9:00 PM
National Police Conference, 11:00-
Vegas, 12:00-12:30 am News.

ATV
As Times except: 1:20-3:30 am News.
5:00 Money-Ro-Round, 2:30-4:15 PM;
6:00-7:00 Round, 6:15-6:45 PM;
6:15-6:45 Take My Wife, 6:00-7:00 PM;
7:00-7:30 PM, 8:30-9:00 PM
Contre, 11:00-12:30, 11:05 Luck-9
Differant, 12:00-12:30 am Something
Differant.

Tyne Tees
As Times except: Start 9:20-9:30 am
Good Word, 1:20-1:30 am News, Look-
up, 6:00-7:00 PM, 8:30-9:00 PM and
4:15 PM
4:15 PM Country Cavalier, 5:15-
6:00 PM, 6:00 PM Play It Again, 6:00-
Northern Report, 11:00 PM; See Killeen
Horton, 12:30-12:35 am
Epilogue.

HTV
As Times except: 1:20-3:30 am News.
6:00-7:00 Take My Wife, 6:00-7:00
6:15 PM; Country Cavalier, 5:15-
6:00 PM, 6:00 PM Play It Again, 6:00-
10:45 Song, 11:05-12:45 am
10:45 Song, 11:05-12:45 am

SYMBOLS MEAN: †STEREO; *BLACK AND WHITE

12.00-12.10 pm Trochetau. 1.20-1.25 Penawdau Newyddion y Dydd. 1.25-1.30 Report Wales. 2.00-2.30 Hamdden. 4.45-5.15 Ser. 6.00-6.25 Y Dydd. 6.25-7.00 Report Wales. 8.30-9.00 Yr Wythnos. 10.00-10.35 News followed by Report Wales.

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